





FIATA HQ Meeting Final Session Summary

The most digital FIATA HQ Meeting yet, and first hybrid member event at that, officially came to a close after a fully-packed three days of sessions. An exciting high-level maritime crisis panel session on Friday finished off the week with an exclusive gathering of representatives from the U.S. Federal Maritime Commission, European Commission, African Union Commission and Development Research Centre of the State Council, China. Stay tuned for the next communication covering this exciting high-level session!

With 32 hours of sessions and 32 guest speakers, and numerous opportunities for networking and catching-up, members were finally able to 'Reconnect' with their freight forwarding family, to learn and grow together, and take back focused knowledge from a series of sessions convening international organisations in the home city of non-governmental concerns. Let's not forget the roughly 500 cups of coffee consumed to keep us going during the week!

The day began with an early CAI session, featuring an interesting discussion on the changing customs laws, and the need to stay on top of them, the importance of digitalisation and keeping up with the process as freight forwarders, as well as eCommerce and trade facilitation. The following session was of the Advisory Body on International Affairs, addressing the implementation of Trade Facilitation Agreements. The FIATA Logistics Institute session convened after lunch and addressed the labour shortage issue in the freight forwarding industry.

The day came to a close with the Young Logistics Professional (YLP) session, featuring four presentations of the Regional Young International Freight Forwarder of the Year Award winners: Vimbai Loreen Manyumbu, RAME winner, Anastasia Tulek, RAMs winner, Umair Sheikh, RAP winner, and Femke Fürst, REU winner.

President Ivan Petrov officially closed the HQ Meeting with a review of the Meeting, sharing some statistics of the week, the main lessons learned, the importance of this chance to meet again, and the most-used poll words from the interactive sessions involving participant polls (see below). In total, around 160

participants joined online or in-person, making for a productive and fruitful discussion in each session.





CAI Session 'Harnessing Lessons Learned from the COVID Pandemic for Greater Trade Facilitation'

Industry veteran, and Chair of the Institute, Steve Parker of DHL, opened the session of the FIATA Customs Affairs Institute (CAI) with a light-hearted welcome, with an anecdote on Scrouge, and the difficulty of the pandemic times for progress. The panel was comprised of experts from the World Customs Organization (WCO) and IATA, addressing key themes including the future of customs, trade facilitation, eCommerce, and the role of digitalisation post-pandemic.

Highlighting the achievements of CAI in the past year, the Chair noted that FIATA had worked successfully with the WCO to encourage customs departments to allow freight forwarders to be a part of their accreditation process and to bring more standardisation into the industry. Addressing the growth of eCommerce, the need for streamlined regulation was highlighted and it was acknowledged that it may take years to come. FIATA also contributed to regulations focused on illicit trade.

Encouraging FIATA members to follow a more data-driven approach, it was noted that data required for compliance with advanced cargo information systems, coming into effect in the EU next March, would be replicated for customs declarations reducing workload if systems are harmonised.

The panel highlighted the success story of the cargo industry functioning efficiently and demonstrating great agility in tandem with customs departments in various countries to ensure the quick transport of vaccines, PPE and other medical essential goods at the height of the pandemic. The guidance of FIATA, IATA, the WCO and WTO were commended for fostering a cooperative environment. The pandemic demanded rapid technological upgrades and digitalisation by regulators. FIATA members emphasised the need to retain the focus and advances made by customs departments during COVID-19 as the new normal. They expressed concern that we should not roll back on the improvements necessitated during the contingency.

Another important issue was the increase in detention and demurrage costs on an already strained supply chain which was exacerbated by delays in customs processing. Reduction in red tape, going paperless and opening green corridors, as sought by FIATA members, would bring down the cost of doing business and help governments comply with their obligations under the WTO Trade Facilitation Agreement. Speakers encouraged National Associations to communicate more with regulators, help secure technical assistance and share industry best practices with each other.

There was consensus that the freight forwarding industry should work with all relevant stakeholders to establish a contingency business plan and crisis management systems for future resilience.

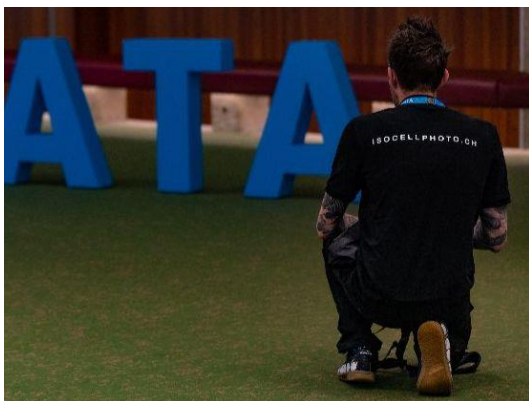


ABIA Session on 'Empowering FIATA Association Members in the Implementation of Trade Facilitation Agreements'

New ABIA Chair Cynthia Perisic Ivandic of ALOG, Chile, took to the stage with a very interactive session on the implementation of Trade Facilitation Agreements, with high-level guest speakers from the WTO, UNCTAD, the Global Alliance for Trade Facilitation, as well as the ITC, who focussed on the implementation of the World Trade Organization-Trade Facilitation Agreement (TFA) and the associated benefits for the private sector.

All the participants highlighted the expected benefits of the TFA, which is about the simplification and modernisation of procedures, which ultimately stand to benefit the SMEs, who are often the most impacted by complex and burdensome border requirements. Indeed, the TFA is about cutting red tape, which adds up on average 15% to the cost of goods, even more in the case of developing countries – this has an adverse effect on the competitiveness of exporters, which impacts the whole supply chain, including the freight forwarders. It was highlighted that the former were truly among the primary beneficiaries of the reforms brought by the TFA implementation.

It was however noted that reaping those benefits will take time – as reform implementation is a long term process. Participants made a clear call for the involvement of the private sector and the freight forwarders in the National Committee for Trade Facilitation (NCTF), and active participation in associated working groups – which are important platforms where work is being carried out. Joining NCTFs means an opportunity for freight forwarders to shape the business environment which will condition their success for the coming years. It was also stressed in the discussions that strong links with the private sector, full government/agency participation, and a clear leadership with political imperative were among the successful practices within the NCTF.





FLI Session 'The Labour Logistics Shortage: Building Global Capacity'

The FIATA Logistics Institute session was a great opportunity to discuss an important current hot topic of the industry, namely labour shortages in the supply chain. Mentioned in many sessions during the FIATA HQ Meeting, the labour shortage is a challenge for freight forwarding companies; understanding the cause and finding ways to overcome it were the aim of the session.

The discussion raised the points of retaining and attracting talents, which are almost equally problematic. Expert on the topic, Céline Hourcade (Change Horizon), shared that 40% of newly hired leave their new job in the first 45 days - this demonstrates how timely the discussion is and that the employment system must be reformed in depth. Céline also transparently addressed the issue by pointing out that bad working conditions (incl. low pay, lack of recognition, lack of flexibility and hard-working conditions) remain a major reason as to why the industry is facing such shortages.

The experts of the session put forward valuable solutions to reflect on, particularly addressing employers from the sector. As such, they highlighted the sense of dignity needed to be felt by employees, which means ensuring that

working conditions are fair and respectable, as well as having a sense of purpose, which includes developing the corporate structure by allowing good prospects and career progression to employees. Patrick Daru (ILO) made the point that middle management is often overlooked in human resources and remains crucial for the well-being and sustainability of the staff.

Shaun Lake (ITC) raised capacity building and training opportunities as being essential elements not only to retain but also to attract talent in the working environment. Technology and online learning opportunities are vectors which positively encourage employers to stay. Céline Hourcade also brought up the important topics of diversity and inclusion as an attractiveness tool within the industry.

All in all, FIATA members and attendees can keep in mind three fundamental values to overcome labour shortage: Flexibility, responsibility, and care.





**YLP Session 'Focusing on the New Generation with
the 2020 Winners of the YIFFYA Awar**