



Frequently Asked Questions about e-AWB

1. What is the e-AWB?

The paper air waybill is a critical air cargo document that constitutes the contract of carriage between the 'shipper' (direct shipper or freight forwarder acting on behalf of the shipper) and the 'carrier' (airline).

The "e-AWB" is the term IATA uses to describe the interchange of electronic data (EDI) messages, in lieu of a paper air waybill, to conclude the contract of carriage. The terms and conditions for interchanging EDI messages between shipper and carrier are specifically set forth in IATA's Model Agreement for EDI a copy of which can be found in Attachment "A" of the Cargo Services Conference (CSC) Recommended Practice 1670 (also referred to as the "e-AWB Agreement"). By removing the requirements for a paper air waybill, IATA has significantly simplified the air freight supply chain process.

The e-AWB Agreement has been endorsed by FIATA; was adopted by the Cargo Service Conference in 2010; and approved by several governments around the world including the US Department of Transportation.

2. What are the major benefits of the e-AWB?

There are many benefits of implementing the e-AWB for both shippers (typically a freight forwarder) and airlines. The following are just some of the key benefits of the e-AWB that have been identified by industry stakeholders:

- Reduction in processing cost due to the removal of paper air waybill;
- Greater accuracy of air waybill data;
- Reduction in shipment handling delay due to missing or illegible paper air waybill;
- Elimination of the requirements to file paper air waybill; and
- Real-time access to air waybill data for all personnel from all locations.

3. What is the link between e-AWB and e-freight?

Where international convention and local law permits (as further explained in Section 7 hereof), Airlines and freight forwarders are free to implement the e-AWB outside of e-freight i.e. on all permissible trade lanes (even if it is not yet an IATA e-freight trade lane) with all their freight forwarders (even if they are not yet participating in IATA e-freight).

The replacement of the paper air waybill is within the scope of IATA e-freight. However until now, and due to the absence of an electronic air waybill standard, IATA e-freight was implemented with the paper air waybill being exchanged between the shipper and the carrier at origin as evidence of the contract. The paper air waybill was sent electronic from origin to destination, not transported with the shipment but produced upon demand.

- With the new e-AWB Agreement full elimination of paper air waybill is now possible for IATA e-freight shipments.
- For the remainder of 2010 and all of 2011, e-AWB implementation is optional for e-freight participants.
- Starting at the beginning of 2012, implementation of the e-AWB will be mandatory for all e-freight shipments on IATA e-freight trade lanes.



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4. What are the adoption targets of the e-AWB in 2010?

To make the vision of 100% e-AWB by 2014 a reality, IATA has proposed for the e-AWB to be adopted between at least one freight forwarder and one airline in at least 8 locations by end of 2010.

Focus will be giving to the following locations: SG, CA, UK, AE, KR, HK, NL, and SP.

However, any country where the e-AWB is live at the end of 2010 will be counted toward the 2010 adoption target.

IATA will identify and communicate interim targets from 2011 to 2014 in due course.

5. How does the e-AWB work?

There are 2 options to incorporate the e-AWB process into the day-to-day freight operations:

➤ 'Immediate Cargo Receipt Delivery' option

- **Step 1:** Both parties (Carrier and Shipper) must sign an e-AWB Agreement prior to implementing the e-AWB. This should be done only once, preferably at Corporate Level to ease the administrative burden of having multiple e-AWB Agreements locally)
- **Step 2:** Shipper sends FWB electronic message to carrier prior to tendering the shipment
- **Step 3:** Shipper tenders the shipment to carrier prior to flight departure
- **Step 4:** Carrier accepts shipment in their system as "Ready for Carriage"
- **Step 5:** Carrier immediately sends FSU/RCS electronic message to shipper, concluding the Cargo Contract (See Section 25)
- **Step 6:** Carrier provides shipper with Cargo Receipt (paper document) as proof of contract

➤ 'Deferred Cargo Receipt Delivery' option

- **Step 1:** Both parties (carrier and shipper) must sign an e-AWB Agreement prior to implementing the e-AWB. This should be done only once, if possible, at corporate headquarters level to ease the administrative burden of having multiple e-AWB Agreements locally)
- **Step 2:** Shipper sends FWB electronic message to carrier prior to tendering the shipment
- **Step 3:** Shipper tenders the shipment to carrier prior to flight departure
- **Step 4:** Carrier receives the shipment as "**Freight on Hand**"
- **Step 5:** Carrier provides shipper with a "**Warehouse Receipt**" (See Section 27). For purposes of this option, the Warehouse Receipt will be deemed an interim cargo receipt to be used by the parties until the Carrier can produce the EDI based "Cargo Receipt" described in Step 6.
- **Step 4:** Carrier accepts shipment in their system as "Ready for Carriage"
- **Step 5:** Carrier immediately sends FSU/RCS electronic message to shipper, concluding the Cargo Contract
- **Step 6:** Carrier makes the Cargo Receipt (paper evidence of contract) available upon request by the shipper



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6. Should a paper air waybill be printed at the time of freight acceptance as a proof or contract?

The vision is paperless air waybill for the complete life cycle of the shipment.

Note: In the event that a party chooses to use the form of an air waybill as a Warehouse Receipt, any mention or reference to conditions of contract shall be disregarded and considered null and void.

Additionally, it is recommended when using the paper air waybill that the form should include a clear indication on its face that it is a “Warehouse Receipt” only and not an air waybill to avoid confusion

7. Where can I implement the e-AWB?

- With a few limited exceptions endorsed by IATA, the e-AWB should only be implemented on trade lanes where origin and destination countries have ratified the same international treaty, The Warsaw Convention as amended by Montreal Protocol 4 (MP4) or Montreal Convention 1999 (MC99). Both of these treaties provide a favorable and secure legal foundation for e-AWB and e-freight.
- Local Customs authority must be willing to accept electronic air waybill or a printout of the electronic air waybill

NOTE: Shippers and carriers are nonetheless reminded that IATA e-freight is a discretionary program, and it is up to shippers and carriers alike, based on their internal legal analysis, to determine how they should ship and document cargo to and from any endorsed IATA e-freight destination. IATA provides recommended tools for accomplishing IATA e-freight transactions such as Cargo-IMP messaging and the e-AWB Agreement, and through its endorsement of particular destinations, confirms that the governments of such destinations will accept the use of these tools at their borders. By ensuring that an endorsed location is a signatory to either MP4 or MC99, IATA can compel the acceptability of IATA e-freight tools. However, such endorsement does not affect in any way the pre-existing legal regime with regard to liability or the particular requirements that cargo insurance carriers may have when cargo is transported to and from those destinations. The determination of how liability and insurance issues should be resolved continues to be the responsibility of the carriers and shippers.

Parties are cautioned that the use of electronic means in lieu of a paper air waybill may increase their liability exposure on traffic routes where electronic means are not recognized under international convention and local law.

8. What is the difference between Montreal Protocol 4 and Montreal Convention 1999?

Montreal Protocol 4 (MP4) serves to amend the Convention for the Unification of Certain Rules Relating to the International Carriage by Air signed at Warsaw on 12 October 1929 as Amended by the Protocol done at The Hague on 28 September 1955 (the “Warsaw Convention”). Thereafter, a need to modernize and consolidate the Warsaw Convention and related instruments was recognized. This culminated in a new convention, the Montreal Convention of 1999 for the Unification of Certain Rules for International Carriage by Air (MC99). The significance of these treaties, as mentioned, is that they provide a favorable and secure legal foundation for IATA e-freight and the e-AWB. There is in fact only one significant technical difference between the two treaties: MP4 requires the consent of the shipper prior to using the e-AWB; this “consent” is provided for in the e-AWB Agreement.



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Importantly, carriers and shippers should bear in mind that both origin and destination countries must have ratified the same treaty. That is, both countries must have both ratified MP4 or the both must have ratified MC99. Conversely, if one country has ratified only MP4 the other country has ratified only MC99, its conceivable that neither treaty would apply and the parties run the risk of having their shipments detained indefinitely by government authorities and/or frustrate their ability to assert the liability limitations afforded by the international conventions.

9. Which countries have ratified MP4 and/or MC99?

Montreal Protocol No. 4 was entered into force, generally, on 14 June 1998. Montreal Convention 1999 was entered into force, generally, on 4 November 2003.

The country of origin and country of destination must have ratified the same treaty for the limits to apply. For information regarding the status of ratification for each country, please refer to http://www.icao.int/eshop/conventions_list.htm

10. What are the system integration scenarios for the e-AWB?

There are 2 ways to implement the e-AWB from technology perspective:

➤ 'EDI' option

This option requires carrier and shipper to use Electronic Data Interchange messages to transmit the information of the **Shipment Record** (See Section 24) as describe in the e-AWB Agreement

➤ 'Web Portal' option

Web Portal option is an alternative to the EDI option. Instead of using the EDI as a mean to exchange electronic messages (Shipment Record information), carrier may provide web-based access for shipper to:

- Accept air waybill terms and conditions
- Enter air waybill data
- View the carrier acceptance of freight as "Ready for Carriage" information
- Store and display the Shipment Record information
- View and print Cargo Receipt

11. What are the e-AWB implementation requirements for an airline?

Technology requirements for EDI Option:

- Ability to receive FWB messages
- Ability to send FSU/RCS messages
- Electronic archival capability of FWB and FSU/RCS messages (these two messages constitute the Shipment Record)
- Ability to produce (print) the Cargo Receipt on demand

Technology requirements for Web Portal Option:

Carrier must have the following functionalities on web portal to allow freight forwarder to:

- Accept air waybill terms and conditions
- Enter air waybill data
- View the carrier acceptance of cargo as "Ready for Carriage" information
- Store and display the shipment record information
- View and print Cargo Receipt

Operations requirements:

- A defined step-by-step operational procedure of how to handle e-AWB shipments



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12. What are the e-AWB implementation requirements for a shipper?

Technology requirements for EDI Option:

- Ability to send FWB messages
- Ability to receive FWB/RCS messages
- Electronic archival capability of FWB and FSU/RCS messages (these two messages constitute the Shipment Record)

Alternatively, forwarder without EDI capability may be able to access an online web solution where their airline business partners allow them to do:

- Accept air waybill terms and conditions
- Enter air waybill data
- View the carrier acceptance of cargo as “Ready for Carriage” information
- Store and display the shipment record information
- View and print Cargo Receipt

13. How can an airline participate in the e-AWB program?

Should you want to participate:

Step 1: Go to www.iata.org/e-AWB and download and read the following documents:

- e-AWB Quick Reference Guide
- CSC Recommended Practice 1670
- E-AWB Functional Specification

Step 2: Identify the critical technology enhancements needed to support the e-AWB implementation in your organization. IATA has created technical readiness assessments to help you identify any gaps that may exist. These assessments can be found at: www.iata.org/e-awb

Step 3: Develop and test your e-AWB Standard Operating Procedure (SOP). The e-AWB SOP should describe the step-by-step process required to handle e-AWB shipments

Step 4: Sign an e-AWB Agreement with your technically capable forwarders and shippers (paper or on-line). Whenever possible the agreement should be signed at the corporate headquarter level to limit the administrative burden of having multiple agreements locally. The model agreement for the data interchange (Recommended Practice 1670) can be found at: www.iata.org/e-awb

Additionally, as an airline implementing the e-AWB, you are required to provide information of signed e-AWB Agreement to IATA. This information will allow IATA to measure e-AWB adoption globally and by stakeholders.

Step 5: Prepare e-AWB roll-out. The following are some suggested key activities to ensure a smooth transition:

- Train all personnel who will be involved in the day-to-day handling of e-AWB shipments
- Prepare contingency planning to minimize disruption to your day-to-day operations in case of go-live issues

Step 6: Start with your first e-AWB shipment

For more information please visit the IATA public website for the e-AWB: www.iata.org/e-awb

Or

Contact the IATA Cargo team at cargo@iata.org



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14. How can a forwarder participate in the e-AWB program?

Step 1: Go to www.iata.org/e-AWB and download and read the following documents:

- e-AWB Quick Reference Guide for Forwarders
- CSC Recommended Practice 1670
- E-AWB Functional Specification

Step 2: Identify the critical technology enhancements needed to support e-AWB implementation in your organization. IATA has created technical readiness assessments to help you identify any gaps that may exist. These assessments can be found at: www.iata.org/e-awb

Step 3: Develop and test your e-AWB Standard Operating Procedure (SOP). The e-AWB SOP should describe the step-by-step process required to handle e-AWB shipments

Step 4: Sign e-AWB Agreement with your airlines (paper or on-line). Whenever possible the agreement should be signed at the corporate headquarter level to limit the administrative burden of having multiple agreements locally. The model agreement for the data interchange (Recommended Practice 1670) can be found at: www.iata.org/e-awb

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Step 6: Start with your first e-AWB shipment

15. I am about to implement the e-AWB, do I need to inform my local Customs?

In general, you don't have to contact your local Customs authority to inform them of your intention, provided that the origin and destination countries are live with IATA e-freight (see Section 16). In the case that they are non e-freight countries, the legal environment of the origin and destination countries satisfies the minimum legal requirements of the e-AWB, which means they must:

- Have ratified the same international treaty, Montreal Protocol 4 (MP4) and/or Montreal Convention 1999 (MC99)
- Local Customs authority must be willing to accept electronic air waybill or a printout of the electronic air waybill

IATA recommends that the airlines inform the local Customs authority at origin and destination of the upcoming e-AWB implementation.



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16. I am a freight forwarder with limited technology capabilities. Can I still implement the e-AWB?

Yes, provided that you have access to an online web portal provided by your airline business partners that allow you to:

- Accept air waybill terms and conditions
- Enter air waybill data
- View the carrier acceptance of cargo as "Ready for Carriage" information
- Store and display the shipment record information
- View and print Cargo Receipt

17. Who is live on e-AWB and where?

A comprehensive list of airlines who is ready for e-AWB implementation with the origin and destination countries as well as implementation options can be found on the IATA web site:

www.iata.org/e-awb

18. Is there a model agreement for e-AWB?

Yes, the model agreement for e-AWB (Recommended Practice 1670) was published in 2010. This is a standard model agreement that should be signed by carrier and shipper prior to the implementation of the e-AWB.

Recommended Practice 1670 can be found at: www.iata.org/e-AWB

19. Is there a functional specification for e-AWB?

Yes, IATA has developed and published the e-AWB Functional Specification. This document provides an overview of the business process, business rules and electronic messages that could be implemented to support the e-AWB.

The e-AWB Functional Specification can be found at: www.iata.org/e-AWB

20. How can I find out more information about the e-AWB?

Further information about the IATA e-AWB can be found at: www.iata.org/e-awb

Contact IATA Cargo team at: cargo@iata.org

21. I've read the e-AWB reference documents, but need more information. Who do I contact?

You can contact the IATA Cargo team at cargo@iata.org

22. I don't understand the e-AWB specification, can you explain?

For additional information, please contact the IATA Cargo team at cargo@iata.org

23. Will IATA communicate project results to everyone?

As this is an industry wide program, the involvement of all stakeholders and parties is crucial to IATA. Therefore information will be made available for the entire industry. Update on the progress of the e-AWB will be distributed by the IATA Cargo team and posted on our website:

www.iata.org/e-AWB



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24. What is Shipment Record?

Shipment Record is any record of the Cargo Contract preserved by carrier, evidenced by means other than an air waybill

25. What is the Cargo Contract?

Cargo Contract is a term used in the e-AWB Agreement and means a contract between the shipper and carrier, for the transportation and settlement of a specific cargo shipment

26. What is Cargo Receipt?

The Cargo Receipt (also referred sometimes as the Receipt for the Cargo) is a document which is provided to the shipper by the carrier in paper form unless otherwise agreed between the Parties, evidencing the Shipment Record as a substitution for the issuance of an air waybill and which permits identification of the shipment that has been accepted and deemed "Ready for Carriage"

27. What is Warehouse Receipt?

For purposes of the e-AWB Agreement, it is a paper document provided to the shipper by the carrier acknowledging the receipt of the cargo shipment as "Freight on Hand" for carriage by air. At a minimum, the Warehouse Receipt must have (a) the weight and number of pieces of the cargo shipment; (b) the date, time and place received by the Carrier; and (c) reference the shipment identification number covering the specific cargo shipment. To the extent it is readily available, an indication of the places of departure, destination and, if applicable, agreed stopping places, should also be specified.