INNOVATION CENTER OF CIVIL AVIATION, LTD.

e-Freight in Russia

March 2014

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About ICCA

Innovation Center of Civil Aviation (ICCA) is Moscow-based private consulting company established in 2010. ICCA have united the team of professionals that have more than 30 years experience in civil aviation in Russia.

The mission of the company is to solve the Soviet period problems in Russian civil aviation connected to reducing the costs, and let the highly potent civil aviation industry earn more profits and improve services to people and businesses.

ICCA accomplishes various tasks that are ordered by the aviation industry players and the Russian government.

ICCA Project Portfolio

Our project portfolio contains more then 20 successfully delivered reports among which are the following:

- Concept of Transit Service Development for the Airports on the Territory of Russia – delivered to Russia's government in 2011

- Draft of the Government Decision to set the "fixed price" methodology for airfield operation due to the land rental agreements with the state owner – delivered to Russia's Government and adopted into legislation in 2011

- Concept of Airport Development in various locations like (Novosibirsk, Tolmachevo; Vladimirskiy Region, Dobrynskoye; Moscow Region, Ramenskoye; Krasnodar Region, Sochi, Krasnodar, Gelendzik and Anapa; etc) - delivered to private and state owners in 2011-2014

- Concept of Airfield Capital Reconstruction and On-going Repairs to change practices and fit to the newly developed construction technologies – delivered to the state airfield agency in 2013

- Concept of Regional and Local Aviation Routes Development and Studies of the best possible Regional Hub Locations on the Territory of Russia – delivered to Russia's government in 2013

- IATA e-Freight Standard implementation in Russia – started in 2011 and still in progress

e-Freight: what we do?

- ICCA started to implement IATA e-Freight Standard as an important part of the accepted and highly appreciated by the government Roadmap for the development of Russia's territory transit advantage on the long aviation routes from Asia to Europe and North America;

- ICCA work is to adopt the existing electronic messaging practices so that Russia's government authorities (customs, tax, health and food safety agencies etc) would accept messages instead of papers;

- ICCA work is mostly to draft new procedures and laws appearing after the electronic messages exchange practical tests that take place in the specifically designed Pilot project;

- The Pilot group is comprised of airports, airlines that have the CIMP technology (now Aeroflot and AirBridgeCargo), customs check points and the information transmitting agent (TransInfoTech) to operate under the specifically adopted legislation allowing unlike all others to apply messages instead of paper documents.
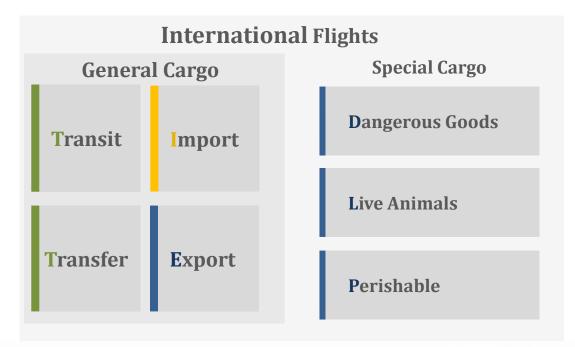
e-Freight: the progress

- During tests along two years from the project launch and still now in progress the receiving technology of customs and tax authorities was upgraded and changed; customs authorities are now ready to adopt legislation for obligatory 100% pre-alert to incoming and outgoing freight and transport from 2015;

- New ideas to replace the row per flight information to list of data sufficient for state duty performance were introduced;

- Legislation for e-freight is already drafted and ready to be adopted;

- Pilot Group Airlines do not transport all documents to tax authorities as before: there were 3 fully loaded Ford Transit type vehicle every quarter of the fiscal year – environmental benefit is in progress

e-Freight: Project Roadmap as of March 2014

International Flights

General Cargo

Transit

Import

Transfer

Export

Special Cargo

Dangerous Goods

Live Animals

Perishable

Domestic Flights

General Cargo

Transit

Transfer

Outbound

Inbound

Special Cargo

Dangerous Goods

Live Animals

Perishable

Related e-Cargo Projects

e-CSD

e-AWB

e-HAWB

colour scheme key

Complete

Preparation and Tests

Planning and Preparation

Legal Background

Decision of the **Government Commission for Transport as of 29.11.2011** to start the **e-freight** project: settle the pilot group and name the participants, show the status of public-private partnership, establish the coordinator – Innovation Center of Civil Aviation

Ministry of Transport appoints **Interdepartmental Work Group** for settling on-going issues and as a communication platform between the business representatives and the government for legislation adoption: now adopted Customs Order # 1494 (Transit) dated 25.07.2012, Customs Order # 702 (Transfer) dated 11.04.2013

Interdepartment Work Group comprises of **10** government authorities, 2 Airlines, 4 Airports, 1 IT-provider and **ICCA as a project coordinator**

Territory Specific: Transit flight acceptable electronic data

- IATA Standard of electronic filing and communication is about 20 main transport and freight documents. Russian standards and legislation is different. State asks for 28 documents including those under the IATA Standard. Most of the additional documents concern the proper filings on transport (airplane, crew members, onboard goods and passengers) and some commercial information for solid import or export operations.

- Concerning the completed transit flight customs operation, the legislation is ready to be adopted on federal level. Check the table below to see what data is already acceptable in Russia's Customs Service from the Pilot Project member airlines:

Information Type	Mandatory Information for Russian Customs authorities	Automated Messages
Cargo Documents	Cargo Manifest	FFM/8 Cargo IMP IATA
	Cargo Air waybills	FWB/16 Cargo IMP IATA
	Consolidation Manifest	FHL/4 Cargo IMP IATA
General Information	Flight Number	Automatically generated and checked at all received messages
	Flight Date	
	Airport of Origin of the Flight	
	Airport of Destination of the Flight	
	Aircarft registration number	MVT
PAX Info Summary (for Passenger declarstion)	Actual number of passengers	PNL/ADL, PRL, PIL, TPM
	Passengers Name and Initials	
Crew Info (extract from GenDec)	Captain's Name and Initials	APIS
	Other crew members Name and Initials	
Information Delivery Timings	Four (4) hour before actual time of arrival of the aircraft to the airport of Destination	SSM/ASM, MVT

Electronic Data Flow within the Pilot Project (as is)

Airlines:
AirBridgeCargo (RU)
Aeroflot (SU)

Airports:
DME, KJA, OVB, SVO

CIMP

Customs Gateway:
TransInfoTech

Customs XML

Federal Custom Service and other **Government authorities**

Federal Tax Service

Ministry of Finance

Border Checkpoint of Federal Security Service

Federal Service for Veterinary and Phytosanitary Control

Ministry of Health Protection

Ministry of Communications

Federal service on customers' rights and health protection

Electronic Data Flow after legislation adoption (to be)

Airlines
Airports
GSA

CIMP
XML

Customs
Gateway

Customs
XML

Federal Custom Service and other Government authorities

Federal Tax Service

Ministry of Finance

Border Checkpoint of Federal Security Service

Federal Service for Veterinary and Phytosanitary Control

Ministry of Health Protection

Ministry of Communications

Federal service on customers' rights and health protection

Facts and figures

- Montreal Convention 1999 is to be ratified already in June 2014
- Pilot Project members were appointed and included into the pilot project by the decision of the Government Commission for Transport and paid entrance fee, including Ministry of Transport.
- Now when the basic scheme of information interchange and governmental structures information flow is already developed and drafted as future legislation, all other steps of project will not require any more financial support. However, the Ministry of Transport's subsidy is valid until 2015;
- Over a 100 of successful messaging exchange tests between airlines and customs were conducted, including several of them with international airlines (Singapore, Asiana, Cargolux)
- 2 temporary Orders of Customs to support the legality of message exchange – check with your Russian legislation provider: Customs Order for Transit #1494 dated 25.07.2012 and Customs Order for Transfer #702 dated 11.04.2013

Contacts and Proposals

- You may use e-freight and the advantages of electronic messaging of your freight data to Russia's Customs Checkpoints – members to the Pilot Project - only if your company will become a member to the Pilot Project. Please, contact ICCA in Moscow to find out more about the project and how your company can become a member: +7 495 612-4796, web: www.c-ca.ru

- You may use the advantages of pre-alert electronic messaging of your freight and passenger data to any Russia's Customs Checkpoint. Please, contact ICCA's IT partner - TransInfoTech in Moscow to find out how your company can start sending messages and shorten the period of paper proceedings: +7 499 642-5247, web: www.dff.ru (under development)

THANK YOU!