



# Digitalization and logistics resilience: lessons learned from COVID-19 and challenges ahead

International Federation of Freight Forwarders Associations (FIATA)

WTO Webinar

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# Introduction to FIATA

- Global voice of the freight forwarding and logistics industry, representing freight forwarders in some 150 countries across all modes of transport
- Composed of 109 Association Members representing 40,000 freight forwarding and logistics firms and 5,500 Individual Members
- Committed to promoting trade facilitation and best practices among the freight forwarding community
- Priority to ensuring business recovery and building a more resilient and sustainable supply chain



# The critical role of freight forwarders in logistics services and trade

## The «architects of trade»:

- Key intermediary between all modes of transports
- Facilitating the transport of goods in the increasing complexity of international trading environment

## The COVID-19 pandemic has portrayed essential role of freight forwarders in functioning of supply chain:

- Key function of freight forwarders to ensure movement of essential goods
- New role to play within eCommerce exponential growth (B2B -> B2C )

FIATA has extensively advocated for the recognition of freight forwarders as essential services.



# COVID-19 impact on the freight-forwarding industry

## **Pandemic has exacerbated resilience and demonstrated vulnerabilities:**

- Maritime: container imbalances, blank sailing, abandoned cargo and ports and terminals congestion severely impacted maritime transport
- Airfreight: a rapid downturn in airfreight capability hindered JIT freight movements
- Road: border difficulties as well as driver shortages impacted road transport significantly, especially in UK and USA
- A general need for further harmonization and simplification of supply chain was emphasized

## **FIATA worked with its members and stakeholders to ensure aligned and appropriate responses at international and national levels:**

- Publication of several positions papers, best practice guides
- Development of FIATA Electronic Bill of Lading through its Digital Strategy
- Contribution to elaboration of common standards to facilitate interoperability and adoption of electronic documents
- Active advocacy for trade facilitation measures



# FIATA Digital Strategy: fostering interoperability through collaboration

- FIATA Digital Strategy launched in June 2020
- 6 projects aiming to facilitate the exchange of data between freight-forwarders and their stakeholders
- Collaborative approach to foster interoperability: involving members, key organizations active in the supply chain as well as software providers

1



**Members  
Registry**

2



**Digital  
Templates  
Library**

3



**Distributed  
Signed  
Document  
Database**

4



**Professional  
Network**

5



**Data Exchange  
Ecosystem**

6



**Industry  
Intelligence**

# FIATA Digital Strategy: fostering interoperability through collaboration

## eFBL project

### Negotiable FIATA Multimodal Transport Bill of Lading

- Standard trade document introduced by FIATA, in its paper format, more than 40 years ago
- Only truly multimodal negotiable transport document
- Conform with the UNCTAD/ICC Rules

### Bringing trust and security through digitalization

- Allowing freight-forwarders to issue eFBLs through their everyday tools
- Strengthening of compliance control over the issuers of the document
- Preventing fraud and ensuring full traceability of the document
- Ensuring interoperability with all modes of transports and different actors of the supply chain through



<https://www.youtube.com/watch?v=OEB1Jq3v1AM>

# FIATA Digital Strategy: fostering interoperability through collaboration

## eFBL Proof of concept

- 7 months POC: Feb – Aug 2021
- 7 software providers tested the technical implementation of the eFBL data model and API
- 19 freight-forwarding companies (FIATA & Nat. Ass. Members) tested the full lifecycle of the document: issuance, sharing and verification process

## Next steps

- Implementation started – launch planned for early 2022
- Possible extension to other FIATA documents (FWB, FCR, FWR) and non FIATA documents (House Bill of Lading)
- In parallel, working with other key actors of the supply chain on development and adoption of relevant standards to facilitate the use & acceptance of electronic bills of lading worldwide



# Importance of the trade facilitation measures

## Need for level playing field and harmonized global approach:

- Effective implementation of the WTO Trade Facilitation Agreement (TFA)
  - Trade facilitation measures will help the industry recover
  - Ensuring regulatory and business practices on the movement of goods, conveyances and people
  - Facilitating a more harmonized and supporting legal overarching framework
- Development of a legal framework on digitalization of the supply chain, such as MLETR (recognition of electronic transferable documents)

FIATA has strongly advocated for the implementation of the **WTO TFA** and **WCO SAFE Framework of Standards** to facilitate global trade.



# Thank you



[www.fiata.com](http://www.fiata.com)  
[info@fiata.com](mailto:info@fiata.com)  
[@fiatafederation](https://www.instagram.com/fiatafederation)