Digitalisation of international multimodal transport documents in an interconnected trade ecosystem

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Introduction to FIATA

FIATA (International Federation of Freight Forwarders Associations) is the largest federation and voice of global logistics. It leverages the global strength of its membership across the ecosystem to ensure a sustainable and resilient supply chain.

Vision: ‘Logistics without borders for a digital and sustainable world’.

At FIATA, we value:
- Excellence,
- Innovation,
- Collaboration,
- Inclusion, and
- Responsibility
FIATA, leading the way to a brighter logistics future through effective policy-building

FIATA has UN ECOSOC consultative status, and observer status with the WCO and the IMO. It leads the voice of logistics in policy work with all main international organisations.

• UN (UNCTAD, UNECE, UNESCAP, UNCITRAL, UNCEFACT, UNEP)
• IMO
• Cargo Integrity Group (CIG), comprising WSC, TT Club, FIATA, BIMCO, BIC, SWIFT
• WCO and WCO Private Sector Consultative Group (PSCG)
• IATA, ICAO
• ICC DSI, FIT Alliance (SWIFT, DCSA, ICC, BIMCO, FIATA)
• BIAC (OECD)
FIATA, setting supply chain standards of excellence

• For over 50 years, FIATA’s standard transport documents have served as a mark of quality, excellence and harmonisation in freight forwarder documents and forms.
• The Negotiable FIATA Multimodal Transport Bill of Lading (FBL)’s globally renowned house bill of lading (HBL) standard is recognised by UNCTAD/ICC and conforms with UCP 600 and relevant international conventions, fostering interoperability, accessibility and clarity in supply chain operations.
“Architects of Transport” amid global uncertainty

Freight forwarders play a crucial role in ensuring the resilience and continuity of global supply chains, acting as a single trusted partner for end-to-end multimodal transportation and logistics services from point of origin to destination.

- Freight forwarders issuing a house bill of lading (e.g. the FBL) provide value-added services for clients, assuming responsibility for the entire journey of the goods and using their expertise to find the most efficient and effective routes and transport modes, no matter the situation.

- Possibilities for full load or consolidation of multiple shipments give SMEs the opportunity to access international supply chains at competitive prices.
Getting digital for international trade supply chains

• Most trade and supply chain data continue to be processed via paper forms (physical or pdf) globally. A single shipment may require 40+ paper forms exchanged between 30+ parties.

• Data in these forms must be manually extracted, validated and entered into various IT systems (platform), most of which are not connected to each other.

• The process is:
  o prone to errors, discrepancies and fraud
  o time consuming and labour intensive
  o environmentally inefficient
FIATA, leading supply chain digital transformation

FIATA is working to a more efficient, digital and sustainable future of logistics through the digitalisation of its documents and forms.

- Mapping of data standards in accordance with UN/CEFACT and WCO data standards for supply chain interoperability
- Work to strengthen and harmonise international policy and legislative frameworks to facilitate global digital trade (e.g. MLETR, UNCITRAL project on negotiable cargo documents)
- Founding member of the Future of International Trade (FIT) Alliance, bringing together stakeholders from container and bulk shipping, banking and freight forwarding to promote digital standards
Digitalising FIATA transport documents

- **Open-source solution** launched on May 18 2022 to digitalise the only negotiable multimodal transport bill of lading (recognised by UNCTAD/ICC)
- Solution allowing freight-forwarders to issue secured Digital FBL through their **everyday tools (TMSs and other software)**, either fully digitally or by converting to paper
- With the **FIATA Digital Identity**, trusted networks with certified member digital identities help forwarders move forward with electronic trade documents and exchange data with authenticated stakeholders with peace of mind, accessing a digital global ecosystem
Facilitating secure and trusted data exchange

• Each document is registered on an immutable ledger, protecting it against fraud and allowing all stakeholders interacting with the document to verify the document’s validity and the issuer’s identity at any time using the dedicated QR code.

• Through the **FIATA Digital Standard**, essential transport data can be exchanged securely by identified stakeholders according to UN data standards, and tracked with a verifiable audit trail using the FIATA Digital Identity.
The power of standards

In the paper world, it is not a big issue to receive documents of different colours and of different formats. In the digital world, it is crucial to exchange information in a standardised way, using the same vocabulary and format to ensure information is understood in the same way by all stakeholders and to ensure interoperability.
Digital FBL – How does it work?

1. Issue FBLs through TMS or software provider

2. FIATA Secured Documents Service

3. FBL protected on blockchain

Freight Forwarders FIATA Digital identity approved
How can we strengthen the digital trade ecosystem?

1. Adopting the Model Law on Electronic Transferable Records (MLETR)
   Facilitates the legal recognition of electronic transferrable records. Crucial for trade facilitation and economic competitiveness

2. Ensuring clear and effective data governance standards (see FIATA-GSF charter)
   Need to foster trust and ensure a level playing field

3. Working towards an international instrument for negotiable cargo documents
   Ongoing work at UNCITRAL towards a legal instrument regarding negotiable multimodal transport documents to facilitate legal recognition and to help secure access to trade finance

4. Adopting international standards
   Adoption of international standards aligned with UN/CEFACT
Digitalisation and multimodality: the keys to resilience

- Recent crises have shown the importance of strengthening the use of multimodal transport corridors and the role of freight forwarders in organising new routes.

- Digital multimodal transport documents such as the Digital FBL are important tools to strengthen transport, providing 1 single document to provide to the bank, irrespective of the modes of transport used, and ensuring quick goods release at destination.

- Secure, immutable nature of the Digital FBL eliminates concerns of fraud, uncertainty and lost documents.

- Digitalisation unleashes new trade facilitation measures for efficiency, cost-savings, accessibility and business continuity. Need to ensure future-proof, interoperable approach that facilitates access for stakeholders across the supply chain, including SMEs.
Questions?
Thank you for your invitation