

1. National Requirements to become Freight Forwarders

2. Women in Logistics

1. National Requirements to become Freight Forwarders

The simplest definition of freight forwarder as given by Oxford Dictionaries is “a company that receives and ships goods on behalf of other companies” (https://en.oxforddictionaries.com/definition/freight_forwarder). A more complex definition of freight forwarder reads “firm specializing in arranging storage and shipping of merchandise on behalf of its shippers. It usually provides a full range of services including: tracking inland transportation, preparation of shipping and export documents, warehousing, booking cargo space, negotiating freight charges, freight consolidation, cargo insurance, and filing of insurance claims. Freight forwarders usually ship under their own bills of lading or air waybills (called house bill of lading or house air waybill) and their agents or associates at the destination (overseas freight forwarders) provide document delivery, deconsolidation, and freight collection services” (<http://www.businessdictionary.com/definition/freight-forwarder.html>).

As complex as it may be, freight forwarding is one of the most common businesses worldwide; in many cases it starts as a small family enterprise. The requirements to set up freight forwarding businesses differ widely among countries. In most regions of the world this profession is not regulated, except the usual obligation of registering as a commercial entity/activity. In regions and countries where the forwarding activity is regulated, the conditions to access the profession are usually very simple and consist in a registration to a dedicated register held in general by the line ministry for transport.

For example, in Bulgaria, the forwarder has to register at the Bulgarian Commercial Register as required for any other companies in the country¹. There are no special required conditions to set-up a forwarding company in Canada either. The entrepreneur only has to register the company just like any other business in compliance with Canada Corporation Act¹. Nevertheless, there are additional administrative requirements to fulfill if the business includes Customs brokerage. Similarly, in the United Kingdom, a freight forwarder simply has to follow the same standard business registration process for all businesses and comply with all the domestic laws such as UK Companies Act, Employers’ Liability (Compulsory Insurance) Regulations, as well as requirements pertaining to the

registration for VAT, health and safety regulations of the business premise¹.

Requirements to set up a forwarding company are more stringent in other countries with compulsory conditions to be fulfilled. In Belgium, professional experience and/or training of relevance, financial guarantee and clean criminal record are among the requirements to become a freight forwarder. Similar pre-conditions are also imposed in Italy and Portugal to regulate the freight forwarding industry¹.

Even though setting up a regular freight forwarding company, notably when the company only operates within the national boundary, may appear relatively straightforward in some countries, entering the business of international freight forwarding can be more onerous. Freight forwarders must familiarize with complex legislation, regulations and procedures of relevance to Customs, Agriculture and Quarantine, Inland Revenue etc., not only that of the home country, but also of the destination as well as transit countries. In addition, freight forwarders that handle dangerous goods transported by air are required to have undergone IATA Dangerous Goods Regulations training while transportation of perishable foodstuff may require training on food safety rules and regulations.

Self-regulation of the profession has been developed by FIATA to certify the level of professional competence of forwarders; however it is not a mandatory requirement to access the profession even if some clients may impose on their forwarders to be holders of such certificates.

To better understand the requirements to set up freight forwarding business within the Asia-Pacific region, ESCAP Transport Division has conducted an ad hoc survey by sending out questionnaires to the National Freight Forwarders Associations of respective ESCAP member States. Responses were received from Bangladesh, China, Indonesia, Myanmar, Philippines and Singapore, and are summarized following Table 1. below:

Table 1. Requirements to become Freight Forwarder in selected ESCAP member States

Country	National requirements to become Freight Forwarders
Bangladesh	<ul style="list-style-type: none"> • Trade License from “City Corporation” • Freight Forwarding License from Customs • Be a member of the national association of freight forwarders
China	<ul style="list-style-type: none"> • Present an application to the Administration for Industry and Commerce • Lowest registered capital: land transport RMB 2 million; air transport RMB 3 million and maritime transport RMB 5 million • Employees doing inspections and customs declaration should be trained
Indonesia	<ul style="list-style-type: none"> • Minimum paid up capital IDR 1 200 million

	<ul style="list-style-type: none"> • A staff has FIATA diploma • Obtain permit from Ministry of Transport • Recommendation from the Association • Domicile issued by local authority • Registered at Local Department of Trade • Registered at Chamber of Commerce and Industry • Registered at Minister Law and Justice • Recommendation from minimum of two companies which are already established • In Jakarta, the office should be located in offices area otherwise we cannot obtain domicile certificate • Office equipment to run the business • Company tax register number • Bank account • Relevant insurance of liabilities • If the company involves in Customs brokering, at least one employee who poses Customs Administrative License issued by the Customs Foundation and financial guarantee of IDR 250 million
Myanmar	<ul style="list-style-type: none"> • Register the company with relevant authority • Be a member of Myanmar International Freight Forwarders' Association • If the company provides sea freight service, it needs to be a member of the Supervisory Committee for Marine Services Companies under Myanmar Port Authority
Philippines	<ul style="list-style-type: none"> • Register name and secure permit with the following government agencies: <ul style="list-style-type: none"> - Securities & Exchange Commission - City Hall, for Mayor's permit - Bureau of Internal Revenue • Apply for accreditation with the following entity who regulates the forwarding Industry: <ul style="list-style-type: none"> - Philippine Shipper's Bureau (under the Department of Trade & Industry) for sea freight - Civil Aeronautics Board for air freight • Paid up capital of PHP 4 Million
Singapore	<ul style="list-style-type: none"> • Company Registration: Incorporate the company with Accounting and Corporate Regulatory Authority (ACRA) to obtain the Unique Entity Number (UEN). • Singapore Customs Account Activation: All businesses that import and export goods in and out of Singapore will need a Singapore Customs Account to apply for import / export / transshipment permits. • Apply for Licenses and Permits: Import / Export of all goods require a permit obtained online via TradeNet®. • Taxes and Fees: Inland Revenue Authority of Singapore and Singapore Customs

The aforementioned questionnaire also surveyed the availability of formal training/education in logistics in ESCAP member States. Responses to the questionnaire confirmed the availability of

formal training/education in the logistics sector in all participating countries. National Freight Forwarders' Associations in Bangladesh, China, Indonesia, Myanmar, Philippines and Singapore do run various training courses to improve the human resource capacity of the sector in their respective countries. For example, the Logistics Academy, a wholly owned subsidiary of Singapore Logistics Association (SLA) provides training and continued-education for the logistics workforce in technical subjects such as "Advance Diploma in Supply Chain Management" and organizes courses in soft-skills like "Applying Teamwork in Work Place."

In Malaysia, the Federation of Malaysia Freight Forwarders (FMFF) signed a Memorandum of Understanding with the Malaysia University of Science and Technology (MUST) in August 2011 to jointly develop academic and professional programs in transportation, logistics and related fields. Similar collaboration also exists between Myanmar International Freight Forwarders' Association and Myanmar Maritime University as well as between Singapore Logistics Association and Singapore University of Social Sciences (UniSIM).

Recognizing the importance of human resource development and to assist in improving the overall quality of the logistics sector of the region, ESCAP published the "Guidelines for Minimum Standards and Codes of Professional Conduct for Freight Forwarders, Non-Vessel Operating Common Carriers and Multimodal Transport Operators" in 2011; collecting national practices and outlining recommendations on technical and operational aspects of relevance to freight forwarders, such as professional training, capital requirement, liability and insurance etc. The publication can be accessed on ESCAP website: <http://www.unescap.org/sites/default/files/FF-standard-fulltext.pdf>.

In addition, under the "Train the Trainers" program, ESCAP Transport Division also organizes capacity building workshops in technical topics of relevance to the freight forwarding sector at the request of member States. The program seeks to improve the technical knowledge of local trainers, empowering them to in-turn, able to deliver quality training programs and courses to improve the human resource capacity of local workforce in the freight forwarding sector.

2. Women in Logistics

Transport and logistics have always been the backbone of trade, enabling the movement of goods and resources wherever they are needed. The intensification of inter- and intra-regional trade in recent years accelerated the demand of transport and logistics services which lead to a significant increase in business and employment opportunities in the sector.

Despite the relative ease to set up a freight forwarding business and the strong growth in career opportunities in transport and logistics, the sector, which is traditionally male dominated, remains slow in attracting and engaging women among its workforce. A study conducted by the European Transport Federation shows that only 20.5% of the employees in the transport sector are women. In the United States, women comprise only 15% of transport and related occupations and only 4.6% of commercial truck drivers are women. In Australia, the Logistics Information and Navigation Center reported that the percentage of women in transport and logistics are 24%, a steady increase from a mere 9.9% in 1966.

"Logistics is about people, coordination and communication. It is never routine, which adds excitement to the job. Solving problems, overcoming obstacles and working innovatively are fun and fulfilling."

Ms. Andelyn Oh, Singapore

"More and more women are entering the logistics business and many are in the management positions."

Ms. Doris Torres, Philippines

The situation in Asia and the Pacific is similar to the overall global trend where women are underrepresented in the workforce of transport and logistics sector. In addition, the proportion of women working in the transport sector also varies considerably among ESCAP member States according to a working paper "Promoting the employment of women in the transport sector – Obstacles and policy option" (no. 298)¹ published by the International Labor Office in December 2013. For example, socially more conservative countries in South and West Asia record minimal women workforce in the traditional male-dominant transport and logistics sector; while developed and trade oriented economies such as Hong Kong, China and Singapore are at the forefront of achieving better gender-balance in the transport sector².

Table 2: The Proportion of Women in Transport Compared to the Labor Market in Asia

Country	Year	Women in the labor market (%)	Women in transport, storage and communications (%)
Armenia	2007	41	18
Azerbaijan	2008	44	20
Brunei Darussalam	2003	30	25
China	1999	39	29
Georgia	2005	48	24
Hong Kong SAR, China	2008	49	37
India	2005	18	7
Indonesia	2008	32	9
Iran	2008	15	5
Japan	2008	42	21
Kazakhstan	2008	48	32
Kyrgyzstan	2007	50	37
Malaysia	2008	38	19
Nepal	1999	24	4
Pakistan	2006	13	1
Philippines	2008	38	10
Republic of Korea	2007	42	17
Singapore	2008	46	32
Sri Lanka	2007	33	7

Source: Adapted from the International Labor Office Working Paper no. 239 (Dec 2013)

¹ http://www.ilo.org/sector/Resources/publications/WCMS_234880/lang--en/index.htm

² http://www.ilo.org/sector/Resources/publications/WCMS_234880/lang--en/index.htm

To better understand the situation of women working in transport and logistics, ESCAP Transport Division has recently conducted an ad hoc survey in the subject-matter by sending out short questionnaires to freight forwarding associations in the region, targeting women who hold managerial level positions in companies that provide logistics services.

The questionnaire seeks to understand reasons why the surveyees chose to engage in transport and logistics sector, the challenges they face as women and the evolution of the sector in terms of gender inclusiveness. A total of fifteen responses were received from Bangladesh, Cambodia, China, Indonesia, Myanmar, Philippines and Singapore. The findings from the survey are as follows:

- Employment/business opportunities were the main reasons why surveyees joined the transport and logistics sector. Some surveyees also became involved through family businesses.
- Women are as capable as men in fulfilling and executing technical/professional requirements to excel and be successful in managing and running logistics companies. Responses to the survey highlighted that the main challenge faced by women in the sector relates to balancing professional and family life within the context of societal expectations. In many culturally conservative patriarchal societies, which are common in the region, there are expectations for women to spend considerable more time with the family. Working in the transport and logistics sector often requires long business trips, participating in various networking events in male-dominated environments. These “outside-the-office activities” are cited as the main inconvenience for women by surveyees.
- Responses from the survey affirmed that there is overall progress forward in closing the gender gap within the transport and logistics sector in the respective countries. Improvement of technology and changing mindset when it comes to gender equality also provide more opportunities for women to engage and excel in the sector.
- Answers to the “best thing in being a woman in the sector” include: women are better negotiators, the ability to multitask and more detail-oriented at work as well as “easier to approach customers.”
- Answers to the “worst thing in being a woman in the sector” are: inconvenience in having to network and socialize with business clients after working hours, limitation in physical strength, having to work in male environment and potential sexual harassment.
- Surveyees highlighted the importance of having the necessary knowledge and relevant skills, in combination with confidence and perseverance, as the most important elements for other women to build their careers in the transport and logistics industry.

Recognizing the importance of gender inclusiveness and the contributions women can bring to the transport and logistics sector, closing the gender gap becomes a priority for governments in many countries around the world.

"There is no particular challenge or problem being a female entrepreneur. There is no gender difference in the ability to run transport and logistics businesses."

Ms. Tripti Perpetua Gonsalves, Bangladesh

"More than 20 years of experiences in the logistics business in Indonesia make me proud. Day after day, more women are getting involved at all levels, from drivers to CEOs."

Ms. Susana Riana Sari, Indonesia

In Canada, half of the senior executives in the Canadian Ministry of Transport are women to achieve gender parity under the current administration. *"People should succeed because of their training, ability and commitment. Transportation will always be a major factor for all nations around the world. We will need all skilled individuals to operate and manage our networks"*, highlighted the last Canadian Minister of Transport, Ms. Lisa Raitt³. The Government of New Zealand also promotes parity, with 30% of board members of key transport agencies in New Zealand being women⁴.

Relevant authorities in the United States also actively support different initiatives to promote a more gender neutral transport and logistics sector. For example, a "National Dialogue on Women in Blue Collar Transportation Careers" was organized with the support of the Department of Transportation and the Department of Labor, to provide an interactive platform focusing on challenges and opportunities for women working in the operational area of the transport sector in 2011⁵. In the same year, the APEC "Women in Transportation Initiative" was launched with the active support of the United States Department of Transportation. Identifying successful practices and strategies to increase opportunities for women in the transportation workforce are among the key focuses of this initiative⁶.

Promoting gender inclusiveness does not necessarily have to start from the governments. Private companies in transport and logistics sector should equally increase their awareness and bear the social responsibility and commitment to promote gender inclusiveness by launching their own initiatives to improve gender balance of the sector. The following are best practices principles promoted by the Logistics Information and Navigation Center⁷ as means to increase the attractiveness of transport and logistics sector to women workforce:

- *Fostering an inclusive and equitable workplace culture*
- *Visible commitment and support from management and leaders*
- *Identifying female talent and promoting diverse career pathways*

³ <http://2015.internationaltransportforum.org/women-transport>

⁴ <http://2015.internationaltransportforum.org/women-transport>

⁵ <https://www.transportation.gov/womenandgirls/skilled-careers>

⁶ <https://www.transportation.gov/APECWomen>

⁷ http://www.the-linc.com.au/gender_and_equality/best_practice_principles_for_increasing_gender_equality

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- *Investing in training and personal development opportunities for women*
 - *Supporting employees to achieve a work-life balance*
 - *Supporting pregnant women and mothers in the workforce*
 - *Gender pay equity*
 - *Maintaining a workplace free of discrimination, harassment, victimization and bullying*
 - *Gender Equality and Diversity Policies and Procedures*
 - *Consistent and reinforced gender equality messages⁸*

"Teamwork is required for good performance in any task; female and male team members complement and support each other very well."

Ms. Lu Yanjing, China

"Work with passion and faith, I have never regretted, not even a minute, to be involved in the transport and logistics business."

Ms. Thit Thit Htet, Myanmar

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ESCAP Transport Division: <http://www.unescap.org/our-work/transport>

⁸ http://www.the-linc.com.au/gender_and_equality/best_practice_principles_for_increasing_gender_equality

Annex: Selected responses to the survey



INDONESIA
MS. SUSANA RIANA SARI

1. *Please introduce yourself and provide us with a brief description of your career history to date.*
I am Susana Riana Sari, 44 years old, Indonesian with more than 20 years of experiences in logistics area since 1996 as a learner, a doer and a seer make me become someone beyond my own dream. In the beginning, I worked as a marketing staff in a forwarding company which focuses on delivering general cargo, and after several years I was promoted to become a marketing manager. To improve my skills, I took different logistics courses ranging from basic to advanced level. I also obtained a Master degree in logistics from the School of Transportation Management; and I lecture in several universities. The next milestone in my career is in 2002 when I made the decision to be a logistics entrepreneur. I run business together with my colleagues at PT. Transaka Dunia Cargo. It is not a simple thing to run a business, especially when we have been appointed as military cargo project forwarder. From small things to huge military equipments including dangerous goods, everything must be professionally handled. As a woman I am very proud that I can be involved in such important defense projects.
2. *Many studies continue to show that the transport and logistics sector is a male dominated sector. Therefore, how or what prompted you to get into the transport and logistics sector?*
Logistics is one of the world's most important career fields. Every company needs logistics activities. Up to this day it is still dominated by men but women are getting involved at all levels. In logistics field, variations of work always make activities become interesting, dynamic and challenging. Dealing with many companies, people and materials with different levels of difficulty is my passion.
3. *Are there any particular challenges you faced as a woman in the transport and logistics sector in your country?*
Indonesia, like most countries in Asia, has a patriarchal culture, this means in "field activities" men are favored while women are more involved in domestic area. The biggest challenge is to change the mindset. It is not about intellectual capacity or skill management between men and women.
4. *From the start of your career in the transport and logistics sector till today, has the sector progressed to become more gender-neutral and provide more opportunities to women in your country / overall?*
More than 20 years of experience in the logistics business in Indonesia make me proud. Day after day, more women are getting involved at any levels, from driver to CEO. It is natural because the complexity of the sector requires increased intellectual abilities in all fields. This means the business also needs the ability of women in solving variety of problems.
5. *Please indicate one best thing and one worst thing in being a woman in transport and logistics*

industry.

The best thing is that women are good negotiators, with adaptability and ability to see things from a different perspective from men. The worst thing is that over confidence sometimes occurs when women reach the top management level.

6. *Is there any advice you would give to other women who want to build their careers in the transport and logistics industry?*

Learn many things, dare to take decisions and be proud to be a woman.



PHILIPPINES
MS. DORIS TORRES

1. *Please introduce yourself and provide us with a brief description of your career history to date.*

My name is Doris Torres, citizen of the Philippines. I started my career in logistics immediately after graduation from college. I was initially hired as a documentation officer of at a multinational company. After half a year, we started a new freight forwarding company which is a Swiss-Filipino and I became the Operations Manager. After 5 years, I was promoted as the General Manager

2. *Many studies continue to show that the transport and logistics sector is a male dominated sector. Therefore, how or what prompted you to get into the transport and logistics sector?*

Having business studies background, I have learned about logistics while in college. During the first years working in the sector, I faced some challenges which motivated me to continue and excel in this sector.

I do not see any major activities in the transport and logistics sector which women cannot execute. I have proven that to myself by being an operations manager of a freight forwarding company for a couple of years.

3. *Are there any particular challenges you faced as a woman in the transport and logistics sector in your country?*

Yes, especially when I get involved in a transportation project where heavy lift transportation are discussed. Often times, I'm the only lady in the group; and sometimes I even lead in the discussions on methodologies, concepts and other matters pertaining to the execution of transportation of heavy lift cargoes. As a woman, especially when you are meeting men coming from a cultural background where women are treated as inferior, this can be challenging.

4. *From the start of your career in the transport and logistics sector till today, has the sector progressed to become more gender-neutral and provide more opportunities to women in your country / overall?*

Yes, more and more women are getting into logistics business and most are even into management positions.

5. *Please indicate one best thing and one worst thing in being a woman in transport and logistics industry.*

The best thing is a woman can very well complement their male co-workers. Entry of women in the transport and logistics business creates diversity and dynamism. The worst is if the male co-workers do not recognize contributions and strength of a woman colleague.

6. *Is there any advice you would give to other women who want to build their careers in the transport and logistics industry?*

The industry of transport and logistics is so exciting and full of action. A place where a woman can fully develop herself and also can contribute a lot. This is not an industry for male alone.