# The Latest Development of Cargo XML
## – An interview with Mr. Eugene Ng

The Cargo XML Task Force recently held its meeting in Miami, USA to discuss the latest development of this new IATA EDI message exchange format.

We have the opportunity to interview Mr. Eugene Ng who has attended the Task Force meeting in order to learn from him the latest progress and development of Cargo IMP and Cargo XML.  Mr. Ng represents Global Logistics System (HK) Co., Ltd (GLS) in the Task Force working group and has been actively participating in all the related studies.  Mr. Ng is currently the Systems Manager of GLS.

**IATA Cargo XML Task Force**

The IATA runs the Cargo XML Task Force with the key objective to define the new Cargo XML standard.  Members of the Task Force discuss the new standard and conduct Proof of Concept (POC) to the new message standard which is aimed at replacing the current Cargo Interchange Message Program (Cargo IMP or CIMP) which has proved to be restrictive and less flexible.  The Task Force has monthly conference call and meets face-to-face two to three times a year.

The Cargo Committee (CC) has endorsed XML as the strategic direction for air cargo industry electronic messaging.   The Cargo Services Committee (CSC) and Cargo Agency Conferences (CAC) have also endorsed Cargo XML as the alternative to Cargo IMP.

**Cargo XML vs Cargo IMP**

As far back as IATA began introducing three pillars for achieving e-freight, they have identified about 20 documents to be exchanged in electronic format. However, CIMP was not able to support some other required documents, such as Shipment Letter of Instruction (SLI), Commercial Invoice, or Packing List.

The new Cargo XML message standard is built with an aim to replace CIMP message standard which have been used for almost 40 years, and have seen certain limitations, one of which is in the exchange of e-Document, a crucial factor to the full implementation of e-Freight.   New document format also has to be defined for common usage and for easier development of the schema.

There are also practical limitations to the size of data fields, such as the Shippers name and address can easily exceed the limit and such data cannot be fully or correctly captured.  There is a need for improvement to support quality shipment information.

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Cargo XML also supports multiple languages and compatibles to different systems, thanks to the UTF 8 character set and encoding feature whereas CIMP requires special handling on message exchange due to its limited schema and accepts only approved characters.

CIMP vs Cargo XML

| Features | CIMP | Cargo XML |
|---|---|---|
| Character Set | Limited (ASCII 7 bit) | Extended (UTF -8) |
| Size | Limited | Extended |
| Field/Line | 65 characters | unlimited |
| Message | 3500 characters | unlimited |
| Occurrences | Limited | Unlimited |
| Message Structure | Constraints | Flexible |
| Data Type | Limited | Extended |
| Communication Medium | Private Network | Public – Internet based |
| Platform Dependent | Yes | No |
| Data Quality | Modest | Improved |
| Error Handling | Cumbersome | Improved |
| Data Validation | No | Yes (XSD) |
| UN/CEFACT Standards | No Compatibility | Compatible |
| Multimodal | No | Yes |
| Cross-border | No | Yes |

*From IATA Cargo-XML Standards*

It is generally believed that the capability of Cargo XML is one of the many important technological advances to facilitate industry stakeholders in implementing e-Freight through seamlessly exchanging of e-Documents. The possibilities of enhanced dataset, speed of implementation, reuse of messages and data from the source are definitely the competitive advantages to reduce the end-to-end cargo handling time.

IATA published the first edition of the Cargo-XML Manual and Toolkit in December 2012 which contains the following 14 messages:

| Transport Messages | Acronym |
|---|---|
| XML Waybill | XFWB |
| XML House Waybill | XFZB |
| XML House Manifest | ZFHL |
| XML Flight Manifest | XFFM |
| XML Freight Booked List | XFBL |
| XML Status Message | XFSU |
| XML Response Message | XFNM |
| XML Booking Message | XFFR |
| XML Custom Status Notification | XCSN |

| Commercial Messages | Acronym |
|---|---|
| XML Shippers Declaration for Dangerous Goods | XSDG |
| XML Invoice | XINV |
| XML Packing List | XPCL |
| XML Certificate of Origin | XCOO |
| XML Shippers Letter of Instruction | XSLI |

*Note: IATA also developed CITES permit and Transit Declaration in conjunction with respective organizations i.e. Convention on International Trade in Endangered Species (CITES) and World Customs Organization (WCO)*

**Moving forward to Cargo XML**

IATA has announced to sunset the CIMP at the end of 2014 and will gradually transition to Cargo XML. Although there is not a fix date to decommission CIMP, there will be no more editions of CIMP Manual after 2014. New upgrades will only be made in equivalent Cargo XML message.

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Many major freight forwarders support Cargo XML as they see the benefits in improving data accuracy, able to improve cutoff time for cargo acceptance by sending data at the earliest possible without further data translation between systems, enable the reuse of shipment data by pushing the data input to the source of the information.  With quality data and better data flow, it helps in reducing the shipment processing time towards the IATA standard of an overall reduction of 48 hours to the shipment process, an important initiative to strengthen the competitiveness to the air freight industry against competition.

The Task Force believes Cargo XML helps to facilitate the implementation of e-AWB, e-Freight and Advance Electronic Information; to enable the broader participation in e-commerce by small and medium size businesses; to allow quicker response to the changing requirements. Cargo XML facilitate direct exchange of data as it is universally used and accepted standard, compatible with other industry standards such as World Customs Organization (WCO) and International Standards Organization (ISO).

The ongoing investment in the currently quite expensive Cargo XML Specification may prevent a faster adoption when comparing cost and benefits.  IATA is finding ways to facilitate industry players in the adoption.  The current plan is to have an annual new version release with two to three online updates within the year. Subscription is in the form of an annual fee per license.

In the recent Task Force meeting, Cargo XML forward players shared practical experiences as well as difficulties in their implementation exercises.  Cathay Pacific Airways (CX) shared how GLS supports the airline in their pilot with Kuehne & Nagel on message exchange in the Cargo XML standard and format.   Members of the Task Force meeting agreed that Cargo XML requires continual improvement to the schema and the other contents in the messaging manual and the system.  The upcoming 3rd edition of the Cargo XML manual will include recommendations to further improvements and enhancements.

More than 100 participants from airlines, freight forwarders, ground handling agents as well as representatives from the U.S. Customs and Border Protection (CBP) attended the Miami workshop on the third day which was opened to all industry players.   Members have seen an increased awareness and acceptance to the change, and will have plans to see how to move forward to Cargo XML with a cost-effective approach.

**Is GLS ready to support Cargo XML**

Mr. Ng advised the GLS is fully ready with Cargo XML, with its e-Freight platform/e-freight solutions able to handle both CIMP and Cargo XML message formats.  GLS currently provides message format conversion service to airlines and freight forwarders to enable EDI exchange between systems using different messaging standards, saving the time, efforts and costs to

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the enhancement to its hosting system to communicate with external systems that may be working on a different message standard and format.

GLS is already exchanging EDI with Air Canada, a GLS direct connected carrier adopting the Cargo XML standard.    GLS is also supporting Cathay Pacific Airways in a pilot exercise to exchange data with Kuehne & Nagel, one of the many global freight forwarders ready to adopt Cargo XML; and is also working with an Indian based freight forwarder group to provide message conversions to enable its seamless communications with carriers adopting various EDI exchange formats.

**Key drivers to Cargo XML**

Apart from the distinct advantages over CIMP, the success to a fast and smooth transition to Cargo XML relies on many players.

IATA as the body promoting e-AWB and e-Freight is the main driver to push forward the migration.  IATA will organize training classes to enable better understandings for its member carriers and related stakeholders.

Customs authorities and airlines should also reinforce its requirements on data contents to strike for higher quality which could result in pushing the data input to the initial data source and to be reused throughout the chain of message exchange.

**What is needed for industry players to adopt Cargo XML**

An airline will need to have its host system ready to handle Cargo XML messages, including possible changes to data field size, formats and other needed changes.

A freight forwarder will need system change to enable its support to dual message standards in order to exchange data with carriers adopting different standards.  Subscription to the message conversion service such as those provided by GLS is an effective option during the transition period before full system change is completed.

For further details of Cargo XML and its benefits, please visit the IATA web site www.iata.com.