



Information on new Air Waybill Conditions of Contract And the Use of Non-Color Coded Air Waybills

Through this memo we wish to provide important information and clarification to the application of Resolution 600a and Resolution 600b that will have an important impact on the movement of air cargo shipments.

Resolution 600b – new IATA Air Waybill Conditions of Contract

The industry-preferred version of the IATA air waybill Conditions of Contract (IATA Resolution 600b) has been finally approved and declared effective as of **March 17, 2008**.

History of Resolution 600b

For a number of years, IATA Members felt that the current air waybill Conditions of Contract (IATA Resolution 600b(II)) was unnecessarily complex and lengthy, which at times generated claim disputes. In 1989, IATA Resolution 600b, the abbreviated air waybill Conditions of Contract was first adopted by the IATA Cargo Services Conference. Since then, Resolution 600b has undergone numerous amendments in order to obtain the required government approvals.

What is new in Resolution 600b?

The current air waybill Conditions of Contract, Resolution 600b(II), refers to 'Warsaw Convention' only; whereas, the new Resolution 600b refers to both 'Warsaw Convention' and 'Montreal Convention'. Importantly, among other changes, Resolution 600b specifies 250 French gold francs to be the conversion equivalent of 17 SDR, which provides a direction on how to convert the non-existing French gold francs into a modern currency. Therefore, a standardized conversion of the French gold francs into local currencies would be achieved.

Expiry of Resolution 600b(II), the currently effective Conditions of Contract

When Resolution 600b, the new IATA Air Waybill Conditions of Contract, comes into effect on March 17, 2008, the currently effective Conditions of Contract, Resolution 600b (II), will expire. Please note that there will be **no overlap** between the effectiveness of Resolution 600b and 600b (II). Resolution 600b is applicable to all IATA Member airlines participating in multilateral cargo interlining on a worldwide level.

We recommend that you check with your Neutral Air Waybill provider/supplier on the new air waybill stock.

Resolution 600b and Non- Color Coded Air Waybills

It is important to note that Resolution 600b does not mandate, nor does it involve, the use of non-color coded air waybills in any manner. Resolution 600b only sets forth the "IATA Air Waybill Conditions of Contract" to be printed on the reverse side of Airline and Neutral air waybills effective March 17, 2008. There is no similar mandate or requirement that airlines use non-color coded air waybills by March 17, 2008. This deadline applies **only** to the Conditions of Contract printed on the reverse side of the air waybill. IATA is merely inviting the industry at this time to implement non-color coded air waybills. The resolution that permits the use of non-color coded air waybills is Resolution 600a, and specifically, the provision for using non-color coded air waybills has been in effect since 2004.

Resolution 600a

Resolution 600a essentially provides the technical specifications of the face of the Airline and Neutral air waybills. 600a also provides that Airlines shall accept both colored and non-color coded air waybills. It is important to note that all the specifications and requirements applicable to color coded air waybills are also applicable to non-color coded air waybills. This implies that non-color coded air waybills must have exactly the same measurements, and other specifications as the color coded air waybills and must also have the Conditions of Contract printed on the reverse side of a minimum of the three Original copies. The non-color coded air waybills could be printed either on plain (bond) paper or on multiple page continuous form paper.

As per Resolution 600a, IATA Member airlines participating in multilateral cargo interlining must accept non-color coded air waybills. Importantly as well, there is no provision in the Warsaw Convention, its amendments, or the Montreal Convention that prevents the use of non-color coded air waybills. However, the local rules of the customs authorities and government agencies might not reflect the Convention mandates. Accordingly, prior to using non-color coded air waybills on any route, it is recommended that airlines, forwarders, and shippers confirm that the local customs authorities and government agencies alike will accept such air waybills.

The challenge that we as an industry face is to encourage customs authorities and government agencies to accept non-color coded air waybills. All exceptions will need to be dealt with on a case-by-case basis. We therefore reiterate our invitation to the industry to work together with the customs authorities to fully implement the acceptance of non-color coded air waybills.

