COVID-19 RELIEF AND RECOVERY FUND

INTERNATIONAL AIRFREIGHT SUPPORT FOR AGRICULTURE, FISHERIES INDUSTRIES

The Australian Government's \$1 billion COVID-19 Relief and Recovery Fund supports the communities, regions and industries that are most significantly affected by the economic impacts of coronavirus. A key component of the Fund is the International Freight Assistance Mechanism, a scheme designed to assist Australian agricultural and fisheries producers to export their premium produce to priority markets.

In addition to the International Freight Assistance Mechanism, the Australian Government is coordinating with industry to assist unblocking current supply challenges. Exporters have an increasing range of options available to them. The International Freight Assistance Mechanism is **one** option. The range of options are described below.

IMPORTANT NOTE: Market conditions are changing rapidly. This information is current as at 1 May.

For updates please visit <u>Austrade's website</u>

Key facts

	Government Assistance	Airfreight Eligible	Contact
International Freight Assistance Mechanism (IFAM)	Yes	High-value perishable agricultural produce, as prioritised by IFAM	 You must submit an online Expression of Interest haveyoursay.agriculture.gov.au/international-freight-assistance and If found to be eligible for upcoming IFAM flights, you will be notified by IFAM. You should then contact your freight forwarder or one of the 6 contracted freight forwarders (see Appendix A)
Qantas & Virgin International Repatriation (Repat) Flights	Yes	High-value perishable agricultural produce, as prioritised by IFAM.	Your freight forwarder (IFAM is referring exporters to these flights)
International Commercial Other	No	Any freight, as prioritised by the airlines	Your freight forwarder

Government Directed / Assisted Destinations

То	From	Airline	Туре
Abu Dhabi	Melbourne	Etihad	IFAM
Auckland	Brisbane	Qantas	Repat
Doha	Melbourne, Perth	Qatar	IFAM
Dubai	Melbourne	Emirates	IFAM
Hong Kong	Brisbane, Melbourne, Sydney, Cairns	Qantas, Virgin Australia, Cathay Pacific, Emirates	Repat, IFAM
London (Heathrow)	Melbourne (via Perth)	Qantas	Repat
Los Angeles	Brisbane	Virgin Australia, Qantas	Repat
Singapore	Sydney, Melbourne, Brisbane, Adelaide	Qantas, Singapore Airlines	IFAM
Tokyo	Sydney	Qantas	IFAM

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About the International Freight Assistance Mechanism

What is the International Freight Assistance Mechanism?

Under the International Freight Assistance Mechanism (IFAM), planes will depart from key Australian ports and deliver high-value Australian produce to priority export markets. Where appropriate and possible, return flights will carry medical supplies, medicines and equipment to support our response to COVID-19. Visit Austrade's IFAM page for more information.

Who is overseeing the IFAM initiative?

The Australian Government has appointed Mr Michael Byrne as the International Freight Co-ordinator General and Air Vice-Marshal Margaret Staib AM CSC (Retired) as the Australian Government Freight Controller.

Mr Byrne has significant international logistics experience as Managing Director of Australia's two largest logistics companies Toll Holdings and Linfox, plus as a former non-executive director of Australia Post.

With over 30 years' experience in the Australian Defence Force and past experience as Chief Executive Officer of Airservices Australia, Air Vice-Marshal Staib brings significant experience in domestic and international aviation and logistics to the role.

Air Vice-Marshal Staib will primarily focus on inbound freight of national importance such as medical supplies, while Mr Byrne and the teams across Austrade and Agriculture focus on commercially oriented freight such as high-value agri and aquacultural exports. The two roles will be complementary and work flexibly together to optimise the benefits for Australia and the economy.

How IFAM will work

What exports can I send on IFAM flights?

IFAM have prioritised high-value agricultural and fisheries products, in particular perishable products where exporters have important and established customers. Eligible products include:

- seafood (including lobsters)
- premium red meat (including beef, lamb and pork)
- dairy (such as fresh milk and yoghurt)
- horticulture (such as premium fruits and packaged salad or vegetables).

Given the cost of airfreight, low-value products are not eligible.

How frequently will IFAM flights leave?

IFAM is not limited by a flight schedule. Flight schedules by departure point and arrival point will be determined by demand and market access.

As soon as planes are full of valuable exports, they will take off.

Which airlines and freight forwarders are contracted to deliver IFAM?

Following a stringent procurement process, the following companies were contracted to deliver the IFAM: Cathay Pacific Airways, Emirates, Etihad Airways, Federal Express Corporation, Japan Airlines, Singapore Airlines, Qantas Airways, Qatar Airways, Virgin Australia Airlines, CT Freight, Schenker Australia, Kuehne & Nagel, Air Menzies International (Aust), Toll Group and DHL Global Forwarding.

For full contact details see **Appendix A**.



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Do I have to pay anything towards the IFAM flights?

Yes. The IFAM is not intended to offset fully the increase in freight costs to pre-COVID-19 levels. However, by meeting a portion of the airfreight costs, the Government is helping ensure Australian exporters can recover and adapt quickly when the COVID-19 crisis begins to abate.

You will need to make a financial contribution towards the cost of your freight. This cost may be more than pre-COVID airfreight rates.

<u>IFAM is not a retrospective mechanism</u>. Commitments are negotiated and agreed before cargo uplift.

Who gets paid and how much?

You will negotiate a rate with the freight forwarder which will take into account the government assistance.

Can I still use my own freight forwarder?

Yes.

If an exporter has submitted an EOI and found to be eligible for upcoming IFAM flights, they will be notified.

Exporters can:

- use their own freight forwarder, however to access the IFAM flights, that freight forwarder must contact one of the contracted freight forwarders – see Appendix A.
- contact the six freight forwarders contracted to deliver IFAM directly see Appendix A.

Can I use the IFAM to move goods within Australia?

You cannot use the International Freight Assistance Mechanism to move freight exclusively within Australia. The IFAM was created specifically to help Australian exporters get high-value produce to international markets.

To move freight within Australia, a number of domestic services are operational including:

Qantas / Jetstar	www.qantasfreight.com.au or email freightsalessupport@qantas.com.au
Virgin	travel.virginaustralia.com/au/minimal-network-schedule (click the Domestic Tab) or email cargo@virginaustralia.com
Australia Post / StarTrack	mark.davies@startrack.com.au
Toll	Quentin.Masson@tollgroup.com

Eligible industries are encouraged to co-operate and assemble full regional airfreight packages for consideration, from a domestic regional location connecting to an international destination. Grant assistance is in place to operationalise these flights. Please discuss with your freight forwarder. Proposed packages for consideration should be sent to airfreight@austrade.gov.au

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How do I use IFAM if I live in a non-metropolitan location? Full flights can leave from other locations. Eligible industries are encouraged to cooperate and assemble full regional airfreight packages for consideration, from a domestic regional location connecting to an international destination.

Grant assistance is in place to operationalise these flights. Please discuss with your freight forwarder. Proposed packages for consideration should be sent to airfreight@austrade.gov.au

For how long will the IFAM operate?

The IFAM is an interim and emergency measure to assist exporters while there is market disruption and airfreight capacity is severely diminished.

IFAM is intended to operate until commercial markets improve and if there is clear demand, value and need, IFAM may be extended.

How to get your produce on IFAM flights

What happens after I submit an EOI?

IFAM will send you an email confirming that we have received your EOI.

The information you provide in your EOI will be used to priortise flight routes. As new flight routes become available you will be notified by IFAM. You should then contact your freight forwarder *or* one of the 6 contracted freight forwarders (see **Appendix A**).

If you are not notified of flight routes that are applicable to you, you should continue to work with your freight forwarder to access alternative freight opportunities. Also regularly check the IFAM info page (austrade.gov.au/ifam) as many more flights are becoming available.

Who do I contact for further information?

For information on exporting agricultural goods through the IFAM, please email Austrade at: airfreight@austrade.gov.au.

For further information, visit austrade.gov.au/ifam

Further information:

- Austrade IFAM landing page: <u>www.austrade.gov.au/news/news/international-freight-assistance-mechanism</u>
- Website and dedicated enquiry form: haveyoursay.agriculture.gov.au/international-freight-assistance
- Ministerial press releases
 - Western rock lobster back on a roll
 - High-quality Victorian lamb takes-off
 - Securing freight access for Australia agricultural and fisheries exporters
 - First flight takes off under \$110 million freight assistance initiative
 - Freight controller appointed to manage airfreight in the national interest

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Appendix A – Air Freight Services and Freight Forwarders Contracted to Deliver IFAM

Exporters **must** submit an EOI to be eligible to access IFAM flights. Where exporters are found eligible, they will be notified and may choose to use their own freight forwarder or a freight forwarder listed below.

If an Exporter chooses their own freight forwarder for IFAM flights, they should then contact one of the the six freight forwarders contracted to deliver IFAM directly.

Freight Forwarders

Air Menzies International (Aust)	sonya.ashcroft@airmenzies.com	
	mike.pattinson@airmenzies.com	
CT Freight	wade.bollard@ctfreight.com	
DHL Global Forwarding	Bernie.cooney@dhl.com	
Kuehne & Nagel	Exports: wes.mcdiarmid@kuehne-nagel.com	
	Imports: roman.degen@kuehne-nagel.com	
Schenker Australia	Johan.Sandahl@dbschenker.com	

Air Freight Service Providers

Cathay Pacific Airways	nigel_chynoweth@cathaypacific.com
Emirates	Melbourne: sharon.doyle@emirates.com or skycargosyd@emirates.com Sydney: jeremiah.wong@emirates.com or skycargosyd@emirates.com Australia Other: greg.johnson@emirates.com
Etihad Airways	ashadid@etihad.ae
Federal Express Corporation	sean.mgee@fedex.com
Japan Airlines	harakawa.s99x@jal.com or takaramoto.jp3p@jal.com
Singapore Airlines	Nicholas_Kok@singaporeair.com.sg
Qantas Airways	freightsalessupport@qantas.com.au
Qatar Airways	Sydney: qatarcargo.mel@worldwidegsa.com Perth: qatarcargo.per@worldwidegsa.com Adelaide: qatarcargo.adl@worldwidegsa.com Brisbane: qatarcargo.bne@worldwidegsa.com
Virgin Australia Airlines	gary.taylor@virginaustralia.com or syd.cargosales@fly.virgin.com