

# FACT SHEET

## INTERNATIONAL FREIGHT ASSISTANCE MECHANISM

27 JULY 2020

### INTERNATIONAL AIRFREIGHT – RECONNECTING GLOBAL SUPPLY CHAINS

On 3 July, the Australian Government committed an additional \$241.9 million to continue the International Freight Assistance Mechanism (IFAM), helping keep international freight routes and flights operating until the end of the year.

The new funding will keep high-value perishable exports and vital imports, such as medical supplies and other essential items, flowing as we continue the economic recovery from the COVID-19 crisis. It will also re-establish domestic connections for producers and growers in regional and rural areas that rely on airfreight to get their products to customers.

This funding is in addition to the \$110 million announced in April to establish the IFAM under the \$1 billion Relief and Recovery Fund to support regions, communities and industry sectors disproportionately affected by COVID-19.

With few international passenger flights at present, restoring global supply chains has been vital to maintaining relationships between Australian businesses and their customers around the world. IFAM has made it possible to keep goods flowing into and out of Australia and has been critical to the nation's response to the global pandemic.

Since April, the IFAM has helped secure carriage for over 40,000 tonnes of products to 50 international destinations. By reconnecting global supply chains, the IFAM has also supported the import of critical medical supplies.

Even though the IFAM is being extended, it's important to remember it is a temporary, emergency measure in response to an extraordinary situation.

The extension will give Australian businesses more time to re-engineer their business models and adjust to a new and tougher trading environment created by COVID-19.

#### **IFAM supported flight information**

For detailed route information, pricing, flight numbers and days of operation, please download the:

- › [IFAM flight schedule outbound](#)
- › [IFAM flight schedule inbound](#)

## FREQUENTLY ASKED QUESTIONS

### What is the International Freight Assistance Mechanism?

- › The International Freight Assistance Mechanism is a temporary, emergency measure to help restore critical global supply chains which have been heavily impacted by COVID-19 containment measures around the world.
- › By helping to re-connect global supply chains, the IFAM has made it possible to keep goods flowing in to and out of Australia and has been essential to the nation's response to the global pandemic.
- › To date, the IFAM has supported freight flights between nine locations around Australia and 50 international destinations.

### Who is overseeing the IFAM?

- › The Australian Government has appointed Mr Michael Byrne as the International Freight Co-ordinator General and Air Vice-Marshal Margaret Staib AM CSC 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 and Mr Byrne will focus on facilitating the movement of high-value, time sensitive and airfreight reliant (high-perishability) products in to and out of Australia. The two roles are complementary and work flexibly together to optimise the benefits for Australia and the economy.

### What freight is prioritised on outbound IFAM flights?

- › In line with the announcement on 3 July 2020 of an additional \$241.9 million, IFAM will continue to support airfreight capacity in to and out of Australia.
- › Eligibility for products supported by IFAM has shifted to being determined by a set of overarching principles rather than a list of commodities. That is products that are:
  - Australian made or produced, high-value, time sensitive, reliant on airfreight (for example, due to perishability) or otherwise deemed to be in the national interest. For example:
    - products that could not be sent by an alternative to airfreight without losing their essential product characteristics or value,
    - goods that have a limited shelf life or are required to meet a sudden or immediate need.
- › Many of the agriculture and seafood products supported by IFAM to date will remain eligible, however, IFAM will not be limited to agriculture and seafood goods, and any product which meets the above principles may be considered for IFAM support.
- › Additional products now eligible under the principle framework may include medicines which have a short shelf-life, are high-value and are reliant on airfreight to meet a sudden or immediate need – for example blood products, or raw material ingredients for pharmaceuticals.
- › The eligibility principles apply to all exports seeking IFAM support, including via IFAM grants, charter flights and block bookings.

- › The International Freight Coordinator General and Australian Government Freight Controller have authority to make decisions based on the principles outlined above, with guidance from the Airfreight Deputy Secretary Board.

## What freight is prioritised on inbound IFAM flights?

On inbound flights, IFAM is prioritising medical supplies, medicines and equipment to support Australia's health response, as well as items deemed in the national interest.

For example, on inbound flights IFAM has supported:

- › Personal Protection Equipment (PPE)
- › Pharmaceuticals and consumables
- › Medical equipment and consumables
- › Inputs to health industries
- › Imported components essential to the operation of key infrastructure assets, non-medical personal protective equipment and agricultural chemicals.

## How do I access outbound IFAM support?

If you believe your goods align to the description above, please [register your interest](#).

Once you've registered and received an acknowledgement email, you should contact an IFAM Freight Forwarder or your own Freight Forwarder (who will then work with an [IFAM Freight Forwarder](#)) to access any of the below options:

- › IFAM supported flights - see [IFAM flight schedule outbound](#)
- › Grant assistance – see [more information](#)
- › Regional and remote flight connections – see [more information](#)

## How do I access inbound IFAM support?

On inbound flights, IFAM is prioritising medical supplies, medicines and equipment to support Australia's health response, as well as items deemed in the national interest.

Importers can work with their freight forwarder to access freight capacity – see [IFAM flight schedule inbound](#)

If importers are having difficulty accessing freight space for urgent medical supplies please contact [airferight@austrade.gov.au](mailto:airferight@austrade.gov.au)

## Which airlines and freight forwarders are contracted to deliver IFAM?

A competitive tender process was undertaken by Austrade to select the network of airfreight service providers and freight forwarders listed in the table below.

The six IFAM freight forwarders will work directly with the nine airfreight service providers to get your produce on these flights.

| Freight forwarders                        | Airfreight service providers      |
|---|-----------------------------------|
| CT Freight Pty Ltd                        | Cathay Pacific Airways Ltd        |
| Schenker Australia Pty Ltd                | Emirates                          |
| Kuehne & Nagel Ltd                        | Etihad Airways PJSC               |
| Air Menzies International (Aust) Pty Ltd  | Federal Express Corporation       |
| Toll Group                                | Japan Airlines Co. Ltd            |
| DHL Global Forwarding (Australia) Pty Ltd | Singapore Airlines Ltd            |
|   | QANTAS Airways Ltd                |
|   | Qatar Airways Group (Q.C.S.C.)    |
|   | Virgin Australia Airlines Pty Ltd |

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

## Do I have to pay anything toward the IFAM flights?

Yes.

Airfreight costs will be more than pre-COVID airfreight rates and Australian businesses will need to make a financial contribution towards the increased cost of their freight. The pricing in the flight schedules is inclusive of the government support but not inclusive of freight forwarders fees or additional costs.

As a temporary emergency measure, IFAM will – in the short term – assist in reducing the impacts of COVID-19 on key international supply chains. To this end, the government will help businesses get their products on flights and to international customers quickly.

## How does the pricing work?

The cost of IFAM supported flights can be found in the IFAM flight schedules ([outbound](#) and [inbound](#)). These prices are inclusive of the IFAM government support, however, these prices are not inclusive of freight forwarder fees or additional costs.

The government contribution will decrease over time, according to market dynamics.

## Can I still use my own freight forwarder?

Yes.

To access outbound flights, once you have [registered your interest](#) and received acknowledgement, you can:

- › use your own freight forwarder, however to access some of the IFAM flights, your freight forwarder must contact one of the contracted freight forwarders – see **Appendix A** for the IFAM freight forwarders
- › contact the six freight forwarders contracted to deliver IFAM directly – see **Appendix A** for the IFAM freight forwarders

The [IFAM flight schedule outbound](#) outlines which flights can be accessed by any freight forwarder or the IFAM freight forwarders.

To access inbound flights, you can use your own freight forwarder – see the [IFAM flight schedule inbound](#) for flight details

## I'm not an IFAM Freight Forwarder, what do I do?

### Outbound

Freight forwarders have a range of options to access **outbound** IFAM support for their registered clients:

- › Freight forwarders can work with one of the IFAM Freight forwarders to access IFAM supported flights – see [IFAM flight schedule outbound](#)
- › Freight forwarders can directly access some of the IFAM supported flights – [IFAM flight schedule outbound](#)
- › Freight forwarders may be able to directly access the IFAM support flights within 72 hours of departure depending on capacity
- › Freight forwarders can apply for grant assistance if the IFAM supported flights do not meet client needs – see [What is grant assistance?](#)

NOTE: Not all businesses will be able to access IFAM flights. If you are contacted by an exporter that has not yet registered their interest in IFAM please do ask them to [register their interest](#). If you have a client that is unable to access IFAM flights, they will still need to work with you to access other freight capacity available – see [What other flight options are available?](#)

### Inbound

All freight forwarders have access to all **inbound** IFAM supported flights and the details can be found in the [IFAM flight schedule inbound](#).

## What support is available for regional and remote locations?

- › IFAM is committed to supporting regional Australia. There are international IFAM supported freight flights departing from regional locations across Australia, as well as IFAM supported domestic flights connecting to international IFAM supported freight flights – see [IFAM flight schedule outbound](#) for details.

In addition, a commercial domestic service is operational, including [Qantas and Virgin Australia](#), Australia Post and Toll. They are operating a [minimum domestic network](#), servicing the most critical metropolitan and regional routes in Australia.

## What is grant assistance?

If the scheduled IFAM supported flights do not meet an exporter's needs, the exporter may discuss their options with their freight forwarder and consider applying for grant assistance through IFAM. Freight forwarders can apply for grant assistance on behalf of the exporter.

The IFAM grant application process has moved to an online system called SmartyGrants – [submit an application](#). Information on using SmartyGrants can be found in the [How to Guide](#).

Please note:

- › Exporters are still required to submit an EOI before being considered for grant support and must be high-value, time-sensitive and reliant on airfreight (highly-perishable) to be considered
- › IFAM cannot provide grant assistance on scheduled IFAM flights (see [IFAM flight schedule outbound](#)).

- › Exporters and freight forwarders are expected to firstly consider the scheduled IFAM supported flights
- › Larger loads of high-value, time-sensitive and perishable freight, or applications for support over multiple flights or weeks, are more likely to be supported

## What other flight options are available?

In addition to IFAM-supported flights, there is increasing commercial freight capacity, accessible through your freight forwarder – see [Commercial flight options outbound](#) and [Commercial flight options inbound](#) for further details.

Qantas and Virgin Australia are also making airfreight capacity available on repatriation international passenger services to key destinations, which have already commenced.

Contact your freight forwarder, or for more information contact:

- › [Qantas](#) or email [freightsalessupport@qantas.com.au](mailto:freightsalessupport@qantas.com.au)
- › [Virgin Australia](#) or email [syd.cargosales@fly.virgin.com](mailto:syd.cargosales@fly.virgin.com)

## I have received grant assistance, and now need extended or additional support, what do I do?

You need to reapply for IFAM support. Proposals and support do not continue past the time period approved in the assistance documents. Each proposal will be evaluated and considered based on the current market conditions. We will only accept proposals for a maximum time period of 12 weeks.

You should also review the [IFAM flight schedule outbound](#) to ensure there is not IFAM support readily available.

The IFAM grant application process has moved to an online system called SmartyGrants – [submit an application](#). Information on using SmartyGrants can be found in the [How to Guide](#).

## Are there any changes to IFAM with the additional funding announced on 3 July?

On 3 July, the [Australian Government committed an additional \\$241.9 million](#) to continue the IFAM. This additional funding will help keep international freight routes and flights operating until the end of the year.

The additional funding provides an opportunity for IFAM to reassess the types of products which can access IFAM support. Moving forward, the IFAM will take a principles-based approach to determine what products are suitable. See [What freight is prioritised on outbound IFAM flights?](#)

The additional funding will also increase the IFAM's capacity to support regional and rural areas across Australia, ensuring our producers and growers have access to support they need.

## How long will the IFAM support continue?

On 1 April, the IFAM was initiated as a temporary and emergency measure to help keep global air links open and has already demonstrated its value in re-connecting airfreight supply chains.

The commercial airfreight sector collapsed as a result of the COVID-19 pandemic; committing additional funds to keep IFAM alive gives Australian businesses more time to re-engineer their business models and adjust to a new and likely tougher trading environment.

On 3 July, the [Australian Government committed an additional \\$241.9 million](#) to continue the IFAM, helping keep Australia's critical air links with the world open until the end of the year.

IFAM supported flights may continue into the first quarter of 2021.

## How do I prepare for a new reality?

Australian businesses **must use the time now** to review their current business models.

The future trading environment will not resemble the pre-COVID trading environment. Businesses must work together, aggregate, and collaborate to use the mechanisms available to them now. These include:

- › Re-established IFAM airfreight flights
- › Funding assistance through a grant mechanism

Businesses, freight forwarders and industry associations across sectors must work together now to innovate and secure our trading future.

Relevant State and Territory Governments, as well as Federal Departments, are also working together to support you and will continue to share resources as they become available.

## What can I do to support IFAM now?

One of the key objectives of the IFAM is to support international airfreight supply chains. This has a particular emphasis on ensuring access to airfreight services from hubs like Adelaide, Darwin, Brisbane and Cairns for high-value, perishable and time-sensitive produce.

Exporters need to ensure they use the IFAM support available to demonstrate demand for ongoing support. The Australian Government cannot continue to support specific flights/routes that are under-utilised.

For example, if flights from A to B are under capacity, IFAM will likely seek to support alternative flights/routes. The choices made by businesses over the next six months will have a significant impact on the options available to them in the longer term.

## What happens next?

The IFAM is a temporary and emergency measure to keep Australia's critical air links with the world open as businesses adjust to a tougher new trading environment. Businesses must work together, aggregate and collaborate to demonstrate demand ensuring the airfreight links re-established by IFAM continue to be operational once funding ends.

Australian businesses must use this time to review their current business models and prepare for a new reality. The future trading environment will not resemble the pre-COVID trading environment and businesses will need to adapt. This is particularly relevant for businesses who rely heavily on airfreight.

Businesses, freight forwarders and industry associations across sectors must work together now to innovate and secure our trading future. Relevant State and Territory Governments, as well as Federal Departments, are also working together to support you and will continue to share resources as they become available.

For additional government support visit [business.gov.au](https://business.gov.au).

For market insights and latest updates visit Austrade's [COVID-19 page](#).

## FURTHER INFORMATION AND RESOURCES

- › For more information or if you have a question, please email Austrade at [airfreight@austrade.gov.au](mailto:airfreight@austrade.gov.au)
- › Austrade IFAM landing page: [austrade.gov.au/ifam](http://austrade.gov.au/ifam)
- › For detailed route information, pricing, flight numbers and days of operation, please download the:
  - [IFAM flight schedule outbound](#)
  - [IFAM flight schedule inbound](#)
- › For outbound support, register your interest and complete the dedicated enquiry form: [haveyoursay.agriculture.gov.au/international-freight-assistance](http://haveyoursay.agriculture.gov.au/international-freight-assistance)
- › For information on applying for IFAM grant assistance see [SmartyGrants](#) and [how to guide](#)
- › For market insights and latest updates visit [Austrade's COVID-19 page](#)
- › For additional government support visit [business.gov.au](http://business.gov.au)
- › Ministerial press releases:
  - [Securing freight access for Australia agricultural and fisheries exporters](#)
  - [First flight takes off under \\$110 million freight assistance initiative](#)
  - [Western rock lobster back on a roll](#)
  - [High-quality Victorian lamb takes-off](#)
  - [New air freight network to boost agricultural and fisheries exports](#)
  - [1000 tonnes of premium Australian lamb is wheels up](#)
  - [Freight controller appointed to manage airfreight in the national interest](#)
  - [Lift off for South Australian produce](#)
  - [New flights to get seafood exports moving again](#)
  - [Bridging the gap for Tasmanian exporters](#)
  - [South Australian premium produce flying high](#)
  - [Freight flights boost for South East Queensland farmers](#)
  - [Freight flights boost for Australian exporters](#)



## APPENDIX A

### Airfreight Service Providers and Freight Forwarders Contracted to Deliver IFAM

#### Freight Forwarders

|                                  |  |
|----------------------------------|--|
| Air Menzies International (Aust) | <a href="mailto:sonya.ashcroft@airmenzies.com">sonya.ashcroft@airmenzies.com</a><br><a href="mailto:mike.pattinson@airmenzies.com">mike.pattinson@airmenzies.com</a>                   |
| CT Freight                       | <a href="mailto:wade.bollard@ctfreight.com">wade.bollard@ctfreight.com</a>   |
| DHL Global Forwarding            | <a href="mailto:Bernie.cooney@dhl.com">Bernie.cooney@dhl.com</a>   |
| Kuehne & Nagel                   | Exports: <a href="mailto:wes.mcdiarmid@kuehne-nagel.com">wes.mcdiarmid@kuehne-nagel.com</a><br>Imports: <a href="mailto:roman.degen@kuehne-nagel.com">roman.degen@kuehne-nagel.com</a> |
| Schenker Australia               | <a href="mailto:Johan.Sandahl@dbschenker.com">Johan.Sandahl@dbschenker.com</a>   |
| Toll Group                       | <a href="mailto:quentin.masson@tollgroup.com">quentin.masson@tollgroup.com</a>   |

#### Airfreight Service Providers

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