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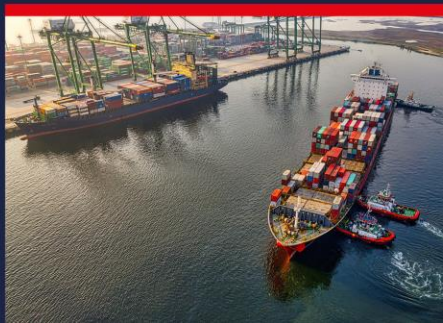
Critical Cargo – CMA-CGM Situation Overview

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Introduction

To what extent critical cargo management is a multi-level challenge for CMA-CGM?

How to update our structure to face it, and why SMDG Critical and Dangerous Cargo Workgroup is essential to do so?

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Current Situation Overview (1)

- As a first result of the **Critical and Dangerous Cargo Workgroup** (CDC), an extensive range of products can be identified as **critical cargo** :

  - **Non-IMDG regulated cargo** (*ex. cocoa butter*).
  - IMDG regulated cargo but **not flagged as hazardous cargo** (*ex. charcoal or lithium batteries*).

→ Today, CMA-CGM faces a **significant need for structure** for those products **including standardization**. In this way, MSC initiative and CDC work for **critical cargo inventory and classification** are more than welcome and helpful.

- Beyond classification, the large set of critical cargo products share some common characteristics. These characteristics generate **significant challenges for CMA-CGM**.

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Current Situation Overview (2)

Indeed, it is important to notice that standardization is the **tip of the iceberg for CMA-CGM critical cargo management**.

Multiple points need to be addressed. Let's detail 3 of them :

1. Critical cargo identification:

- Today, critical cargo **is not properly flagged** in CMA-CGM system.
- MSC and CDC first results are useful to start development to do so.

→ <u>Remaining work and challenges</u>

- Development of dedicated flags has started internally.
- It implies major update of CMA-CGM cargo and bookings management system. Therefore, significant IT developments are required.

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Current Situation Overview (3)

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2. Critical cargo **validation**:

- Internally, **pure manual management of this cargo regarding validation**. Manual processes also with our partners, including mail exchange of cargo details and related documents.

→ <u>Remaining work and challenges</u>

- A clear **validation process** must be defined for critical cargo, including partner bookings.
- For CMA-CGM, identification of critical cargo **dedicated teams**, roles clarification, and cargo management **tools development/update** is required.
- **EDI IFTMBF/C messages** for critical cargo need to be developed and added to our IT environment. It means once again a major update of our cargo management system.

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Current Situation Overview (4)

3. Critical cargo **handling**:

- **Manual situation at CMA-CGM today also**, pending identification part to be completed.

→ <u>Remaining work and challenges</u>

- Company-level handling/stowins instructions for each critical cargo type need to be defined.
- Following this, standardization is also required for handling codes.
- Stowage processes must be updated, such as planning software.
- Information exchange process with partners needs to be defined/clarified.

4. Some open questions:

- What about the maximum amount of containers accepted for specific critical cargo types with stowage constraints?

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Conclusion

- As discussed, critical cargo-related **changes are radical for our company:** update of the cargo management system, booking system and interface, planning software, EDI mappings etc. **Multiple IT developments are required, in addition to structural process changes.**

- CDC's first results such as critical cargo clear classification are **a true opportunity** for CMA-CGM to correctly start developments to face the multiple challenges arising with critical cargo.

- From the CMA-CGM perspective, this workgroup is essential to correctly tackle the critical cargo management issue, with **remaining work to do to finally build a precise and complete critical cargo management framework.**

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Thank You

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