



# Fact Sheet

International Freight Assistance Mechanism

11 March 2021

## INTERNATIONAL AIRFREIGHT – RECONNECTING GLOBAL SUPPLY CHAINS

The International Freight Assistance Mechanism (IFAM) is a targeted, temporary measure established by the Australian Government in response to COVID-19. The mechanism provides funding to help keep international freight routes and flights operating into and out of Australia.

IFAM has helped reconnect crucial global supply chains and supported the import of critical medical supplies, equipment and other goods of national importance. It also provides the opportunity, on the outbound legs, for high-value and time-sensitive perishable products to be exported to established markets. To date, IFAM has reconnected supply chains to almost 70 international destinations, enabling direct international connections for Australian businesses reliant on airfreight to get their products to customers.

By keeping key airfreight routes open, IFAM is preserving jobs and providing Australian businesses disproportionately affected by COVID-19 time to adapt their business models and adjust to a new and tougher trading environment.

[Find out](#) about support available for businesses.

### 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 (IFAM) is a targeted, temporary measure put in place by the Australian Government in response to COVID-19.

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## Who is overseeing IFAM?

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

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.

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

Air Vice-Marshal Staib and Mr Byrne will focus on facilitating the movement of high-value, time sensitive and products reliant on airfreight (high-perishability) into and out of Australia. The two roles work together to optimise the benefits for Australia and the economy.

## When was IFAM established?

IFAM was [established in April 2020](#) with \$110 million in funding to help keep supply chains open. Additional funding was injected in [July](#) and [October](#) 2020 taking total committed funds to \$669 million to the end of June 2021.

In March 2021, [the Australian Government committed to extend IFAM to the end of September 2021](#), keeping global air links open despite the ongoing effects of the COVID-19 pandemic.

## What freight is prioritised on outbound IFAM flights?

Eligibility for products supported by IFAM is determined by a set of overarching principles rather than a list of commodities. Products that are eligible 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.

IFAM is not limited to agriculture and seafood goods. Any product which meets the above principles may be considered for IFAM support.

Other products eligible under the principle-based 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.

Frozen product such as frozen meat or seafood do not meet the criteria for IFAM support, as these are not time-sensitive or perishable products. Powdered milk is also out of scope.

The eligibility principles apply to all exports seeking IFAM support, including via IFAM grants, charter flights and block bookings.

The Australian Government Freight Controller and International Freight Coordinator General 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 your Freight Forwarder to access any of the below options:

- IFAM supported flights – see [IFAM flight schedule outbound](#)
- Grant assistance – 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 [airfreight@ustrade.gov.au](mailto:airfreight@ustrade.gov.au)

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

Yes.

Current airfreight rates are 1.8 to 6 times higher than pre-COVID rates and Australian businesses 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.

The aviation and global trade environment remain significantly disrupted with no signs of a return to pre-COVID practices. Support options under IFAM are agile, responsive and targeted to assist businesses while they, and the sector, adjust to the new environment.

Air supply chains linking Australian businesses to global markets are slowly rebuilding. The supply chains today are different to the supply chains pre-COVID-19 – and they're unlikely to be the same again. Businesses **must** align their commercial and business models to the 'new-look' supply chains.

## How does the pricing work?

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

Please contact your forwarding agent for more information about inbound costs to 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 apply for grant assistance on behalf of the exporter on **non-IFAM supported flights**, i.e., existing commercial flights.

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

Please note:

- Exporters' products 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 first consider the scheduled IFAM supported flights.

## 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](#) for further details.

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

Only freight forwarders can apply for grant assistance on behalf of the exporter on **non-IFAM supported flights**, i.e., existing commercial flights.

If a freight forwarder needs to extend a grant submission, a new grant submission must be lodged. Proposals and support do not continue past the time period approved in the grant agreement documents.

Each proposal will be evaluated and considered based on market conditions at that point in time. We will only accept proposals for a maximum time period of 8 weeks.

If changes to existing grant agreements are required, please contact the team via email [IFAM@austrade.gov.au](mailto:IFAM@austrade.gov.au)

## How long will IFAM support continue?

On 1 April 2020, IFAM was initiated as a temporary and emergency measure to help keep global supply chains open and has already demonstrated its value in re-connecting airfreight links.

The commercial airfreight sector near 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, tougher trading environment.

In March 2021, the [Australian Government announced IFAM would be extended to the end of September 2021](#), keeping international supply chains open.

As an island nation, it is essential that Australia maintains air connectivity to key markets. The extension of IFAM will ensure the aviation sector is supported until the COVID-19 vaccine rollout is well underway; retaining Australia's reputation as a reliable global trading partner.

## How do I adjust to the *new norm*?

**Forward planning is key.** Continue working with industry bodies and State and Territory representatives as there are range of existing and new programs available for support.

For more information relating to the recently announced [Agri-business Expansion Initiative](#) to help Australian farming, forestry and fishing exporters, visit:

- Department of Agriculture, Water and the Environment <https://www.agriculture.gov.au/market-access-trade/agri-business-expansion>
- Austrade <https://www.austrade.gov.au/news/news/agri-business-expansion-initiative>

For information about other Government initiatives:

- Business.gov.au – a single entry point for the Australian business community to access information from all 3 levels of government [business.gov.au](https://business.gov.au)

## What can I do to ensure flight routes remain?

The key objective of IFAM is to support rebuilding international airfreight supply chains. The program has a particular emphasis on ensuring access to airfreight services from hubs like Adelaide, Brisbane, Cairns, Darwin, Hobart and Perth 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 if they are under-utilised.

## What happens next?

IFAM is a targeted, temporary measure to keep Australia's critical air links with the world open as businesses adjust to a tougher new trading environment.

Airfreight costs currently sit at 1.8 – 6 times pre-COVID-19 levels and will remain at those levels for the foreseeable future.

Consistent with other COVID-19 emergency responses, Australian businesses will need to transition from reliance on emergency assistance and adjust to a recalibrated international trading environment.

Global air supply chains linking Australian businesses to international markets are slowly rebuilding. The supply chains we see today are different to the supply chains pre-COVID-19 – they likely won't be the same again. Businesses **must** look at these supply chains and evaluate **how** their business and commercial models align.

## Is IFAM contrary to our obligations under international trade law?

No. IFAM is consistent with Australia's WTO obligations.

## 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](https://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](https://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](https://business.gov.au)