

# 1 IN CIRCULATION & READERSHIP

SOUTH ASIA'S LEADING CARGO MONTHLY

cargotalk.in

# CARGO TALK<sup>®</sup>

A DDP Publication

Published from: ★ India ★ Middle East

Pages 48 | ₹ 50

## AIR CARGO PAVES path for sustainable future





**WE MANUFACTURE CUSTOMIZED**  
*containers beyond your expectation*

Transafe Services Limited is a well-established and fast-growing company equipped with state-of-the-art plants in India. Our world-class wide range of customized products are delivered to Indian and Global markets.

OUR  
PRODUCTS  
RANGE

- Transformer Housing Container
- Electrical Panel Housing Containers
- ISO Containers
- Generator Housing Containers
- Refrigerated Containers
- Special Purpose Containers
- Bunk Houses
- Tank Containers and many more...







India's **No.1** Entrance Automation & Loading Bay Equipment Company



## Edge-of-Dock Levelers

- Edge-of-Dock Levelers are low cost yet high performing solutions for applications that have standard or little variance in truck bed heights at loading dock.
- It is ideally suited where pit leveler installation is not feasible.
- Edge-of-Dock Leveler platform is mounted to the edge of a building wall to assist loading & unloading in a limited working range of 100mm above dock and 100mm below dock.
- Gandhi Edge-of-Dock Levelers are available in both versions mechanical (manual) and hydraulic.

Dock Shelters | Fire Rated Shutters / Doors | High Speed Doors | Rolling Shutters | Sectional Overhead Doors

**STAR EXPORT HOUSE** (Government of India Recognised)



ISO 9001 : 2015, ISO 14001 : 2015  
ISO 45001 : 2018



**TOLL FREE**  
**1800 209 0200**  
From Anywhere in India

**EDITOR**  
Sanjeet

**ASSOCIATE EDITOR**  
Ritika Arora Bhola  
ritika.arora@ddppl.com

**EDITORIAL TEAM**  
VVN Murthi  
Bryan  
bryan.thomas@ddppl.com

**GENERAL MANAGER**  
Harshal Ashar  
harshal@ddppl.com

**SR. MANAGER**  
Abha Gupta  
abha.gupta@ddppl.com

**MANAGER**  
Jaspreet Kaur

**SENIOR EXECUTIVE SALES  
AND MARKETING**  
Samantha Pereira

**DESIGN**  
Nityanand Misra

**ADVERTISEMENT DESIGNER**  
Nitin Kumar  
Aditya Pratap Singh

**PRODUCTION MANAGER**  
Anil Kharbanda

**CIRCULATION MANAGER**  
Ashok Rana



DDP is printed, published and edited by Sanjeet on behalf of DDP Publications Pvt. Ltd., printed at Modest Print Pack Pvt. Ltd., C-52, DDA Sheds, Okhla Industrial Area, Phase-I, New Delhi-110020 and published at 72, Todarmal Road, New Delhi - 110 001; Tel.: +91 11 23234177, E-mail: cargotalk@ddppl.com, Website: www.cargotalk.in

DDP is a publication of DDP Publications Private Limited. All information in DDP is derived from sources, which we consider reliable and a sincere effort is made to report accurate information. It is passed on to our readers without any responsibility on our part. The publisher regrets that he cannot accept liability for errors and omissions contained in this publication, however caused. Similarly, opinions/views expressed by third parties in abstract and/or in interviews are not necessarily shared by DDP. However, we wish to advise our readers that one or more recognized authorities may hold different views than those reported. Material used in this publication is intended for information purpose only. Readers are advised to seek specific advice before acting on information contained in this publication which is provided for general use and may not be appropriate for the readers' particular circumstances. Contents of this publication are copyright. No part of DDP or any part of the contents thereof may be reproduced, stored in retrieval system or transmitted in any form without the permission of the publication in writing. The same rule applies when there is a copyright or the article is taken from another publication. An exemption is hereby granted for the extracts used for the purpose of fair review, provided two copies of the same publication are sent to us for our records. Publications reproducing material either in part or in whole, without permission could face legal action. The publisher assumes no responsibility for returning any material solicited or unsolicited nor is he responsible for material lost or damaged. This publication is not meant to be an endorsement of any specific product or services offered. The publisher reserves the right to refuse, withdraw, amend or otherwise deal with all advertisements without explanation. All advertisements must comply with the Indian and International Advertisements Code. The publisher will not be liable for any damage or loss caused by delayed publication, error or failure of an advertisement to appear.

# contents

SEPTEMBER 2022



8

## 'Prioritize growth strategies for air cargo'



16

## Logistics megatrends to watch out for in 2022



22

## Automation key for air cargo resilience



26

## Defence aircraft to ferry agri produce, perishables: Gadkari



32

## Upskilling existing workforce a concern: ACFI

### REDUCE YOUR INVENTORY COSTS

Call The Logistics Experts

Lead The WAREHOUSING Revolution

Warehousing gives you the opportunity to reduce your inventory costs significantly. Rather than keeping huge inventories in multiple regional warehouses, keep consolidated inventories at one central warehouse. Now is the time to call Safexpress, the Logistics Experts. Safexpress has India's largest Logistics network, covering all Pincodes in India.



1800 113 113  
www.safexpress.com

**SAFEXPRESS**  
THE COMPLETE LOGISTICS SOLUTION  
Distribution Redefined





# INDIA'S **LARGEST** AND **FASTEST** EXPRESS LOGISTICS COMPANY



Scan the QR code  
for more details

1800113113

[info@safexpress.com](mailto:info@safexpress.com)

[www.safexpress.com](http://www.safexpress.com)

# NEWS



India's share in global cargo traffic has risen from 2% to 19%. Transportation of perishable goods too has gained momentum under the government's 'Krishi Udan 2.0' initiative.

## Need wider ecosystem for air cargo, aviation: Scindia

Jyotiraditya Scindia, Union Minister of Civil Aviation said, A broader ecosystem of civil aviation needs to be set up in the country, including cargo, drones, flight training schools and MRO facilities. "With India's airport infra and airlines in place, it is time to lay focus on the sector," he said, during his virtual address recently. The minister said it is important to look at the sector in entirety in addition to the focus areas of airports and airlines. Focusing on cargo, drones, flying training organizations, ground handling of the ecosystem, he said, "Too much preponderance has traditionally been on airlines and airports because they are the lynchpins of the ecosystem of civil aviation. But now that these lynchpins have come into place in a formidable manner in our country, it is important to set up in place the ecosystem of civil aviation and that it comprises myriad areas within civil aviation."



## Indian Railways starts first freighter train to Telangana



Strengthening trade and commerce in Telangana with the commencement of freight operations, the first freighter train arrived at Medak Railway Station on the newly commissioned Akanapet-Medak line. This will enable local traders to ferry goods across India. "Marking commencement of freight ops, the first goods train arrived at Medak on the newly commissioned railway line. This will enable local traders transport local goods across the country," said G Kishan Reddy, Union Minister for Culture, Tourism.

## Kandla Port adopts 5G tech to improve cargo handling

The Kandla Port will soon have 5G Telecom facilities as part of the Centre's efforts to beef up infra. Major ports have been linked the dedicated freight corridor so that goods could reach North India within hours. The project will help Kandla to fulfill its vision of becoming a mega port by experimenting on new automation processes on 5G network to improve cargo handling.



## 'India to trade with Central Asia through Chabahar Port'

Sarbananda Sonowal, the Union Minister of Ports, Shipping & Waterways (MoPSW) and Ayush, reaffirmed India's commitment to utilizing Iran's Chabahar Port to maximize maritime logistical opportunities with the Central Asian region. The multimodal logistical corridor is the International North-South Transport Corridor (INSTC), will be connected via the bustling Shahid Beheshti Port at Chabahar in Iran. This will reduce the government's maritime logistical expenses, which will increase trade between the two regions.



## No norms to specify life of aircraft flying in India: Minister

General VK Singh, MoS in the Ministry of Road Transport and Highways and Ministry of Civil Aviation said there are no norms prescribed by DGCA to specify the shelf life of an aircraft in the country. He said aircraft in India could fly till their certificate for their type

is valid and are under production or maintenance support by their manufacturer. "The aircraft is considered airworthy, provided the maintenance is as per the approved schedule laid down by the manufacturer. Aircraft registered in India may operate if the type

certificate is valid for the type of aircraft and it is under production/maintenance support provided by the manufacturer for the continuous operation of the aircraft," he said. Singh added the aviation regulator has laid down age criteria for importing aircraft to India.





## LUFTHANSA CARGO expands network



Lufthansa Cargo is adding new flights to its all-cargo network as it continues to take delivery of freighter aircraft. The carrier will add another B777 freighter into service by this month-end, while a second A321F will begin flying in October. Lufthansa Cargo said delivery of the aircraft will allow it to expand its network and add additional flights to existing calls for its winter schedule, with effect from October 30. New to the schedule is Hanoi. It will be served twice a week from Frankfurt via Mumbai from early November. Its service from Frankfurt via Kansai to Seoul will increase from three to four weekly flights.

## SRILANKAN AIRLINES airlifts pharma from India

SriLankan Cares, the CSR arm of SriLankan Airlines, takes on the cause of airlifting essential medicines gifted by Indian donors to hospitals in Sri Lanka, free of freight charges. SriLankan Cares has teamed with Sri Lankan Cargo to implement the humanitarian project, aiming to channel medical product donations from India to hospitals in Sri Lanka struggling to cope with the ongoing drug shortage in the country. The project is also representative of the Sri Lankan national carrier's enduring commitment to espouse national causes in the country's hour of need. SriLankan Cares has airlifted consignments of life-saving drugs donated by many organizations and individuals.



## ETIHAD AIRWAYS firms up order for seven freighters



Etihad Airways has firmed up its order with Airbus for seven new generation A350F freighters, following its commitment announced at the Singapore Airshow. The freighters will upgrade Etihad's freight capacity by deploying the efficient cargo aircraft available in the market. This order sees the UAE's national carrier expanding its ties with Airbus and adding to its existing order of the largest passenger version of A350-1000s, five of which have been delivered. Tony Douglas, Group CEO, Etihad Aviation Group said, "In building one of the world's most sustainable fleets, we are delighted to extend our long-term partnership with Airbus. The additional cargo capacity will support the unprecedented growth we are experiencing in the Etihad Cargo division."

## BARIG continues involvement in ACCF

Board of Airline Representatives in Germany (BARIG) continues to strengthen its commitment to air cargo industry and supports the development of cargo and logistics, with the re-election of Michael Hoppe, BARIG chairman and ED of the 'airlines' segment. He represents the interests of 100 national and global, passenger and cargo, airlines in Germany. Hoppe is a ACCF founding member and has been engaged in it since 2014. He was re-elected during the ACCF's general assembly. Cooperation and exchange among different stakeholders have never been important, especially with regards to the current bottlenecks in airports. Air cargo and logistics have demonstrated their system-critical significance for the economy in the society that needs to be improved.



The newly elected ACCF Executive Board (from left): Michael Hoppe (BARIG), Dr. Tobias Riege (Riege Software), Susanne Klingler-Werner (UPS Supply Chain Solutions), Henning Dieter (Swissport Cargo Services Germany), Dr. Pierre-Dominique Prüm (Fraport) and Dietmar Focke (Lufthansa Cargo)



## AIR CANADA CARGO expands fleet, adds two B777Fs

Air Canada will add B777 freighters as it continues to expand its presence in the all-cargo market. The carrier announced an order for two B777Fs to enter its fleet in 2024. The order comes as Air Canada has been investing in converting its B767 passenger aircraft into freighters. So far, two B767 converted freighters have been put into service and two more B767Fs have been delivered, due to begin operations next year. Six more converted B767 aircraft are due to be added over the coming years. Jason Berry, VP, Air Canada Cargo said, "We announce expansion of our fleet with the acquisition of two Boeing 777 freighters. The investment in long-range widebody freighters, combined with our growing 767 freighter fleet and robust passenger network, will help us bring to life the most flexible cargo operations in the Americas."

# 'Prioritize growth strategies for air cargo'

With passenger operations gaining pace in new normal, global air cargo industry is witnessing a demand fluctuation with regards to cargo volumes. While global air cargo demand was up in February 2022, it declined in June, as per IATA. Nevertheless, the industry is geared up to gain back the lost momentum.



Ritika Arora Bhola

## MANAGING CARGO VOLUMES IN NEW NORMAL

According to Willie Walsh, Director General, IATA, air cargo demand over the first half of 2022 was 2.2 per cent above pre-COVID levels (first half 2019). That is a strong performance and considering supply chain constraints and the loss of capacity, due to the Russia-Ukraine war. Current economic uncertainties have little impact on demand for air cargo, but developments will need to be monitored in the second half.

Observing the above, **Glyn Hughes**, Director General, The International Air Cargo Association (TIACA) said, "Right now, the industry is turbulent. Volumes and capacity are fluctuating as consumerism and manufacturing are fluctuating. The rising cost of energy, food prices and raw materials are having an impact on household finances and production costs, adding to supply chain complexities. This reinforces the view that the short-term outlook is challenging."

Echoing similar sentiments, **Vipin Vohra**, Chairman, Continental Carriers affirms, "It is true that Russia-Ukraine war and inflation are causing fluctuations in cargo volumes being transported. It is also true that with passenger aircraft are operating at

### FACTFILE

→ The increasing cost of energy, food prices and raw materials are having an impact on household finances and production costs are adding to supply chain complexities.

→ It may be noted since the need for parcel delivery services is increasing as a result of online retail, e-commerce is the cargo industry's main driver of growth at present.

full capacity, utilizing their maximum belly cargo capacity, therefore, air cargo capacity is being split between freighters and passenger planes. The future of global air cargo is bright as it is regarded as one of the fastest and safest methods of moving freight. I believe that factors, including rising e-commerce and increased industrialization, will boost the air freight business."

**Dipen Lalsodagar**, Deputy Director, Cargo Sales, GSA, Global Aviation Services said that as countries were opening its borders after the intensity of the pandemic subsided and the airlines were hoping to expand their network, the conflict between Russia and Ukraine impacted the aviation badly. He also said, "Multiple factors such as high fuel

prices, increased logistics cost affected household budgets, resulting in a slowdown in exports and high inventory. Many airlines and airports are also suffering due to staff shortage. Shipping lanes are easing out and exporters are opting as a first choice to reduce the overall costs. This has resulted in air cargo tonnage reducing in the past six months. But based on demand, certain segments or lanes still have demand for capacity. India has added more freighter capacity mainly due to imports. Till this year-end, demand will continue to be less, and yield will be under pressure."

Meanwhile, **Michal Growchowski**, Director, Cargo and Mail, LOT Polish Airlines explained, "In early 2022, we recorded huge demand for air cargo. The







**Glyn Hughes**  
Director General  
TIACA

**Right now, the industry is turbulent. Volumes and capacity are fluctuating as consumerism and manufacturing are fluctuating**

fluctuations in global air cargo demand were caused by two major factors such as general flight schedules, presented by passenger airlines, which carry most of the air cargo. After the summer season started, we could see rise in capacities between the USA and Europe and between Asia and the USA. The market reaction was to drop the rates and adopt to the new situation. The second factor is the ongoing Russia-Ukraine war and its consequences. The shock after the outbreak of the war was huge and it started to make trade partners concerned about the future. We cannot forget about the situation related to ocean transport, which correspond to air cargo. Although Q2 2022 shows positive signals the situation is dynamic and changeable."





**Vipin Vohra**  
Chairman  
Continental Carriers

**Future of global air cargo is bright. It is one of the fastest moving sectors. Rising e-commerce and industrialization will boost the air freight business**



**Dipen Lalsodagar**  
Deputy Director, Cargo Sales, GSA  
Global Aviation Services

**India has added more freighter capacity mainly due to imports. Till the year-end, demand will be less, and yield will be under pressure**



**Anish Kumar Jha**, Head Air Logistics, Kuehne+Nagel India, Sri Lanka, and the Maldives explained, "While there are fluctuations in the past month, 2022 is shaping up as one of the industry's strongest years. Several reasons contribute to the status of international goods movement by air—the delay of factory production due to lockdowns in China, the geopolitical unrest, lower new export orders, a shift in consumer spending toward services in the pandemic environment, inflation, and congestion at airport cargo terminals."

**Wilson Kwong**, Chief Executive, Hactl said, "Air cargo has been a barometer of world trade and economic health. Disruptive influences such as the Russia-Ukraine conflict and mounting inflation in all important economies will dampen demand. Unexpected developments such as the COVID can boost traffic. Those of us who have been around for a while know that the most predictable thing about air cargo is its unpredictability! This means too frequent scrutiny of results is futile and misleading. We all know what causes the current trends, we know that these will eventually disappear to be replaced by new ones. Air cargo will always track global growth, so the long-term picture remains positive."

But 2022 will remain challenging and may not match 2021."

### **AIR CARGO GEARS UP FOR GROWTH**

The ongoing pandemic has caused an unprecedented amount of stress to the global supply chain and made companies review the resilience of their supply chain management. COVID made the industry realize the importance of cargo, while the geopolitical tensions taught it to be ready with effective contingency plans. With pax operations coming back to pre-COVID times, the global air cargo industry is preparing to enhance cargo handling at the terminals, increase load factor and capacity to meet up the rise in demand by adopting efficient strategies.

Acknowledging the same, Vohra said, "The pandemic accelerated digitalisation as contactless processes were introduced to reduce the risk of COVID transmission. This momentum is still being carried forward to provide operational efficiency, accurate and near real-time visibility of forecasts, orders, shipments, inventory, and locations to improve business performance. Air freight stations are going to play a key role in managing freight load at airports." Lalsodagar said, "The industry

is embracing the technology rapidly. AI, Integrated logistics portal, real-time tracking, paperless system is helping industry improve cargo handling at terminals and make global cargo movement faster." Kwong agrees, "High degree of automation, and digital processes can help achieve growth. Many operators now understand the need to modernize processes and build resilience into their businesses."

Growchowski said, "We are still dealing with unskilled manpower at key airports. This may result from the fact that most people in the air industry are related to the passenger businesses, and they do not understand cargo requirements. Technology mostly follows the e-commerce business, controlled mostly by integrators or tailor-made solutions that vendors such as Amazon represent."

Jha suggested, "For the air cargo industry to be successful, the businesses must be sustainable and not driven by temporary surge. The digital innovations will permit the air transport sector to transition away from long-standing paper-based documents used to facilitate the movement of global air freight, promoting a contactless air cargo environment and greater cross-

Contd. on next page ►

[www.cargotalk.in](http://www.cargotalk.in)





**NLDS**  
NICDC LOGISTICS DATA SERVICES LTD  
*Logistics Redefined*



# MILLION EXIM CONTAINERS TRACKED

JULY 2016 - JULY 2022

Track your containers at  
[www.ldb.co.in](http://www.ldb.co.in) | [www.nldsl.in](http://www.nldsl.in)

in    | @nldsl





**Anish Kumar Jha**  
Head, Air Logistics, Kuehne+Nagel India  
Sri Lanka, and the Maldives

**While there are several fluctuations in the past month, this year is shaping up as one of the strongest years of the industry**

border trade resilience in the face of future pandemic threats."

### IMPORTANT GROWTH DRIVERS

The global air cargo experts agree e-commerce to be the key driving force for growth. Vohra said, "Global buying capacity, ecommerce, surge in time sensitive, perishable and high value cargo and fuel price and competitive air freight rates are going to be the key growth drivers for the air cargo."

Lalsodagar said, "E-commerce and sensitive cargo will have a significant share in the air cargo as world has moved onto online shopping during and after the pandemic."

Hughes assured, "Preparations for the next wave of growth are underway with the companies continuing to invest in technology and main deck cargo capacity across the spectrum with production and conversion orders remaining strong."

Growchowski pointed out current recession and inflation observed on key markets are not positive factors for growth as we are still experiencing



post-pandemic effects on the economy. He highlighted three main drivers responsible for growth:

- Consumers have taken to e-commerce type of shopping globally and we all see that this is steadily becoming a global trend. However, this is still mostly B2C market.
- The automotive business is growing steadily in the electric car segment. New vehicles do not require as many parts as traditional cars. This means that the supply chain of the automotive industry will have an impact on global demand.
- The situation related to the ocean transport and the limitations in Chinese ports still remains unclear. Until they are partially closed or close, air cargo will have good prospects.

Jha said, "The growth driver is strong consumer demand. The surge in demand was evident in the current times where there are early signs of shift in the pattern of spending of consumers across the world. Besides, growing cross-border e-commerce and time critical shipments—speed to market, critical pharmaceuticals and aerospace supplies—to meet

growing demand, SAF geopolitical issues continue to impact the air cargo industry soon."

Kwong said, "E-commerce will continue to drive growth in air cargo. Its exploitation will depend on the creation of digital supply chains, essential to provide end customers with the information they demand, and e-tailers with the supply chain stock data they need."

### SURGE IN DOMESTIC FREIGHT

If we talk about the Indian market, freight carried across the Indian airports rose by 27 per cent at 3.1 million tonnes in 2021-2022 compared to 2.5 million tonnes in 2021. With the creation of new cargo complexes, cargo terminals, growth of e-commerce, infrastructural and technological developments, increasing capacity, new freighters/ cargo airlines in the past two-three years, it seems the growth in domestic cargo is certain.

Vohra agreed, "Since the need for parcel delivery services is increasing as a result of online retail, e-commerce is the industry's main driver of growth."

#### FACTFILE

→ Global freight, perishables, pharmaceutical products, machinery, and garments are driving the cargo growth.

→ e-commerce and sensitive cargo will have a significant share in the air cargo as world moves to online shopping.

→ freight carried across the Indian airports rose by 27% at 3.1 million tonnes in 2021-2022.





Lalsodagar reiterated, "Domestic market is driven by courier and e-commerce, which is witnessing an exponential growth. With new domestic airlines starting operations, the increased supply will be able to cater more demand. In global freight, perishables, pharmaceutical products, machinery, and garments are driving the growth."

According to Hughes, India has benefited from a structured multi-year programme of focusing on strategic sector growth in export-based manufacturing, aerospace, automotive, pharmaceuticals, apparel, electronics are some of the key areas. Couple this with a government, which wants to support economic growth, airport developments and technological advancements, and you see the all ingredients are in place for a successful and prosperous air cargo industry. "Capacity has been an issue, but we are seeing a rise in main deck operations," said Hughes.

Putting India in a positive light, Growchowski observed, "Demand for pharma from India has increased tremendously. Additionally, some parts of the production, mostly electronics,

have been moved from China to India—this is good for the Indian exports. The connection between Poland and India is one of the most crucial ones for LOT Cargo. LOT's summer route network includes seven connections to India, five to New Delhi and two to Mumbai."

Just as Jha rightly figured out: **Air freight** carried across domestic and global airports has bounced back sharply after cases reduced during the ongoing pandemic

**Economic growth**, increasing consumption and growth of various businesses and micro, small and medium enterprises (MSMEs) are likely to be the major influencers for increased movement of air cargo across Indian airports.

**E-commerce** and shifting consumer habits are equally important factors because more people have access to the internet and a well-developed digital payment infrastructure that has spread across the country.

**UDAAN** scheme to increase air connectivity is focused on making India the world's largest aviation market by the year 2030.

**Initiative** such as Make in India has encouraged businesses to produce in India and to stimulate targeted investments in manufacturing.

**The** Indian government has suggested PLIS for industries to attract businesses to India. This will enhance demand for the air cargo industry and increase the transportation of freight between domestic and international airports.



**Michal Growchowski**  
Director, Cargo, and Mail  
LOT Polish Airlines

**Transporting pharma is crucial for the aviation industry. The demand for perishables and aerospace products are also increasing**

## IS PREIGHTERS ERA COMING TO AN END?

'Preighters' are one of the key innovations during the pandemic, which kept the cargo movement alive. However, now, as the pax activities are gaining momentum, experts doubt if preighters will survive. As per a recent report by Boeing, the cargo market will grow at an annual rate of 4 per cent over the next 20 years, resulting in the requirement for a freighter fleet, 60 per cent larger than what we have today. Boeing stated that a significant majority of the deliveries will be conversions, with buoyant activity in the B737/A321-size market.

Vohra elaborated, "Preighters are always going to be an alternative in case of high demand because they did such a great job during the pandemic, but the freighters will undoubtedly continue to carry majority of air freight since they provide a cost-effective and competitive edge."

Hughes agreed, "The future of preighters looks healthy with conversion companies receiving bulk orders for converted freighters, new routes opening up, and extending their geographical site locations." However, he noted, "The preighters may not survive, as the European Union Aviation Safety Agency exemptions in Europe expired in July, thereby, ending cargo-in-cabin operations. Returning passenger numbers has accelerated the return of B787/A350/



B777 freighters services to passenger network operations."

Growchowski said, "There will be a continued interest in the freighters though. The freighters' days have ended due to renewed demand for passenger flights, and no need of moving cargo again on passenger seats." Lalsodagar agreed, "Asian countries depending on high import volumes, will see more freighter operations. With more passenger flights coming into play, freighters will soon be a thing of the past."

Meanwhile, Kwong added, "The freighter concept was a short-term fixture, and an inefficient one that is unlikely to be needed again in the future. The industry needs more freighters, particularly, while passenger bellyhold capacity is well below what it was in 2019. We must ensure that the industry does not place too much main deck capacity on stream so that rates return to their distressed 2019 levels."

Jha surmised, "Freighter demand will continue to see a surge as more new participants are attracted to invest in building their own network to respond to the need for a reliable supply chain. Another solution could be to charter an aircraft that guarantees cargo space for oversized and urgent consignments and support the planning for tailored air freight. These can handle capacity shortfalls, fluctuating volume and peak season with ease."

## AREAS OBSTRUCTING GROWTH

There are various challenges, which hinders growth. Concrete steps have been taken by the industry and government, from time to time, to resolve the issues. Vohra said, "The key areas of concern include inflation, unforeseen global issues and Russia-Ukraine war, COVID, high fuel prices, security, and industry consolidation." While Lalsodagar said, "High air freight rates, cheaper and faster sea freight, prolonged conflicts and route diversion, stressed economies are some of the factors, which will keep air cargo industry under pressure."



**Wilson Kwong**  
Chief Executive  
Hactl

**Air cargo will track global growth, so the long-term picture remains positive. But 2022 will remain challenging and may not match up to 2021**

In the meantime, Hughes stressed, "The global economic outlook remains an area of concern. It is followed by work force challenges and capacity in preparation for the next wave of growth." Growchowski said, "The transportation of pharmaceutical products is crucial for the entire aviation industry. E-commerce has also been an absolute growth leader over the past two years. The demand for perishables (such as mangoes from India) and aerospace products are also increasing. Boeing and Airbus have informed the market that their production is growing rapidly this year."

"Potential to create seamless end-to-end logistics services, supported by seamless data systems, is an area of concern. This is yet another reason why the 'un-integrated' remaining industry must press ahead with its digital journey," said Kwong. He also explained, "In Hong Kong, we see truck driver shortages in the USA and Europe impacting ocean container haulage also cause problems across logistics activity, including final mile deliveries. That is why we are interested in the potential for greater automation and the use of robotics, which will help us to do more with the same or potentially reduced future

manpower. Also as mentioned, the air cargo industry must beware the risks of replicating the boom/bust cycles seen in ocean shipping, where capacity ordered in the peak times arrives after it is needed, and then adds to rates woes in a declining market. Ordering freighters must be done with a long-term view, rather than a short-term and opportunistic view."

Focusing on sustainable goals, Jha concluded, "Climate change is one of the biggest challenges. Freight transportation generates 8 per cent of global CO<sub>2</sub> emission and as a sector, we need to accelerate the journey in line with the Paris Agreement to limit global warming to 1.5°C. The air cargo industry must embrace techniques for sustainable environmental solutions. The IATA's commitment to becoming carbon neutral by 2050 can be achieved when businesses cut their CO<sub>2</sub> emissions throughout the supply chain. It is vital that logistics firms find alternatives that will help them to minimise their carbon footprints. SAF is a cleaner substitute jet fuel and an vital part in the aviation industry's plan to reduce carbon emissions in the coming decade." 🐦





# LOGISTICS SOLUTIONS THAT MOVE YOUR WORLD



**Multimodal  
Logistics**



**Freight  
Forwarding**



**Multiple  
Warehouses**



**40+ Years of  
Experience**



**Trusted by  
Top Businesses**

**Get in touch with us today to learn more about  
designing logistics that are aligned to your needs.**

**Email:** [reachus@cjdarcl.com](mailto:reachus@cjdarcl.com)

**Website:** [www.cjdarcl.com](http://www.cjdarcl.com)

**Toll Free No.:** 1800 212 4455

# Logistics megatrends to watch out for in 2022

Airports in country and abroad are steadily moving towards renewable energies to feed their ecosystem. Logistics activities are being moved towards greener initiatives such as use of electric vehicles, removal of paper, water and waste management, according to industry experts.



Bryan

From embracing new-age technology such as AI, Block Chain, IoT and Data Science among others to e-commerce, boom in freighters, Greenfield

airports and air freight stations, sustainable business operations and paperless transactions, infrastructure development of facilities such as cold storages for transportation of perishables, and freighters, air cargo industry has come a long way

combating with COVID-19-related challenges followed by Russia-Ukraine crises, the industry has proved its mettle, and expects growth in the years to come. According to Air Cargo Growth Analysis report, Global Air Cargo Market 2022 is

projected to touch US\$ 111810 million by 2028, growing at a CAGR of 4.0 per cent during 2022-2028. The **CARGOTALK** team spoke with industry experts to get their perspectives on the upcoming megatrends in air cargo sector in 2022 and beyond.



**Yashpal Sharma**  
Managing Director  
Skyways

## Airports moving quickly towards renewable energy

We witnessed rapid strides in technology in almost all air logistics functions such as e-bookings, e-AWB, e-tracking that is leading us fast towards a paperless ecosystem. Upgrading infrastructure in the form of Greenfield airports and cargo terminals is another area of interest. We can see remarkable infrastructure development of facilities such as cold storages, cold chain

**While ocean freight will take long, air cargo will steer its way much faster**

equipment and the like for fast growing commodities—pharma and perishables. Airports in India and overseas are now

moving to renewable energy to feed their ecosystem. Logistics activities are being moved towards greener initiatives such as EVs, removal of paper, water and waste management. While ocean freight will take longer to get back to pre-pandemic levels, air cargo will steer its way much faster and help the global economy recover from the ongoing pandemic.





**Satyaki Raghunath**  
Chief Strategy and Development  
Officer, Bangalore International  
Airport Limited (BIAL)

## BLR airport to double existing cold chain capacity

BLR Airport recorded growth from September 2020 onwards because of an increase in perishable and e-commerce shipments. BLR Airport developed integrated express cargo terminal with an express cargo processing capacity of 1,50,000 metric tonnes per annum. The airport hosts the three largest global express integrators such as DHL Express, FedEx and UPS making BLR Airport the gateway airport for South India. The

### ACS offers paperless process for all cargo community to track shipments

COVID lockdown led to an increase in imports and exports, especially perishables such as medicines, eatables, and farm produce among others. Hence,

BLR Airport is planning to expand its dedicated cold-chain operation to 80,000 metric tonnes (MT) per annum, doubling its existing capacity. In addition, our Air Cargo Community System (ACS) offers a paperless process for all the cargo community to track shipments through the airport. Global e-commerce transactions also led to an increase in the volume of goods requiring transportation.



**Mahesh Malik**  
Chief Commercial Officer  
CarGo, IndiGo

## IndiGo to source 4 A321CEO aircraft for conversion

The COVID outbreak has accentuated the potential of cargo business as it provided revenues in the absence of normal scheduled commercial flight ops, within India and globally. We have been one of the innovative airlines not just in India but globally. We find new ways to combat difficult situations.

After pandemic outbreak, we began preighters, using just the belly of our

### We began with preighters, and later expanded into 'cargo-on-seat' operations

passenger aircraft, and expanding into 'cargo-on-seat' ops and later added 'cargo-on-floor' A321. Hence, we initiated a proper freighter program

and are in the process of sourcing four A321CEO aircraft for conversion. The A321P2F—Passenger-to-Freighter conversion—is the most efficient narrow-bodied all-cargo aircraft available, offering 24 ULD positions (14PAG on main deck and 10 AKH in lower deck) and supporting a payload of 27 tonnes. We expect our first delivery soon from Singapore Technologies.



**Christoph Schnellmann**  
CEO  
Noida International Airport

## NIA will support seamless movement of cargo

The focus of Noida International Airport (NIA) is to provide infrastructure for growing specialized segments such as perishables, e-commerce, pharma, spare parts, and general cargo. By creating infrastructure leveraging data and technology and working closely with regulators before commencement of operations, we are certain that our airport will create that much-needed data integration and efficiency for

### We foresee a gradual development of flexible and modular infra for forwarders

seamless movement of cargo. We will ensure that we will be able to provide quick, efficient, and simple processes for a value product. An area of focus

right from the start of master planning is to provide direct access to the airside and freighter parking stands for quick sorting and turnaround of goods. The cargo facilities are to be designed based on both product and process, automated and digitized wherever required. We foresee a gradual development of flexible and modular infrastructure for freight forwarders, with ample landside parking areas.





**Sakshi Gupta**  
Country Manager,  
India, Air Logistics Group

## e-commerce will gain momentum in coming years

As we sail forward, positive trends for air cargo in 2022 will persist. We will see a pullback on yields and a softer, quieter market this summer because of the looming uncertainties. Despite the Phoenix rise in fuel prices and the pervasive Russia-Ukraine situation, an uptick is anticipated by the third quarter of the fiscal. China is anticipated to cut back output

### Airbus, Boeing to convert passenger aircraft into freighters throughout 2022

levels with ease under the COVID-19 limitations, which will increase the already drastically reduced demand for

air cargo. E-commerce has established itself as a household name thanks to its lightning-fast deliveries, and this trend will only gain momentum. To meet the rising demand for air cargo on a variety of short, medium, and long-haul markets, industry giants Airbus and Boeing will be converting narrow body and wide-bodied passenger aircrafts into freighters through the year 2022.



**Pradeep Panicker**  
CEO  
GMR Hyderabad International Airport

## Automation of cargo sector to play vital role in future

As the levels of competition intensify in the international air cargo industry, we are seeing an increasing trend towards digitalization. Digital, internet and mobile technologies have been disrupting every industry and air cargo industry is no exception. The traditional structures, players and value chain of the industry is being challenged like never

### There is disruption in every industry. Air cargo sector is no exception.

before. Technology and digitization have become value-enablers for

shippers and exporters to source, books, monitor transportation services without relying on a multitude of middlemen, paperwork and red tape associated with the process. We are using on time data thereby making the process more effective. In addition, automation of the material handling process will play a major role in the future.



**Videh Kumar Jaipurkar**  
CEO  
Delhi International Airport

## Air cargo to witness upward trend

We expect air freight rates to decrease, especially on account of the geo-political issues in major consumer markets such as USA and Europe. This will present an opportunity for the freight forwarders

### Geo-political issues in USA and Europe will present an opportunity for freight forwarders to look at air cargo

to look at air cargo as a preferred mode vis-à-vis ocean cargo. Furthermore, Indian air cargo should witness an uptick on account of the free trade agreements signed by the Government of India with various countries.







**Sarini Sachdeva**  
CEO  
*Aardour Worldwide Logistics*

## Balance in e-commerce & green initiatives must

The e-commerce segment has witnessed growth in the past few years. The pandemic has brought long-term changes with the way people make their purchase decisions. It accelerated the industry's growth within the country, as offline shoppers downloaded e-commerce apps to buy from within the confines of their home. e-commerce will drive and push ad-hoc and programme charters throughout

### Companies must adapt to cloud-based platforms to interact with air cargo market

2022. Logistics firms should evolve and adapt agile cloud-based platforms to prepare their daily interactions in the air cargo market. Amid the COVID

crisis, the global markets for Digital Transformation Spending in Logistics estimated at US\$45.6 billion in 2020 is projected to achieve a revised US\$75.5 billion by 2026.

More companies are adapting to eco-friendly solutions and green technologies to acquire a balance between financial growth and environmental care.



**Ruby Abidi**  
Director, Air Cargo, India Subcontinent  
cargo-partner

## Airlines may expand freighter fleet by 60% in 20 yrs

The industry of the future will be integrated and connected. There will be a bundling of services with end-to-end logistics starting from the shipper's location to last mile deliveries (LMDs) to the end customer.

### Augmenting capacity has become necessary for products to reach the markets

We have witnessed more e-commerce demand from tier II and III cities. Various airport projects undertaken by the AAI have made headway in enabling logistics hubs to offer faster

solutions and helping newer air corridors to unlock the potential of the logistics infrastructure. Capacity augmentation became necessary for products to reach the markets. Charter

service solutions by key players have come in handy as an alternative solution. Freightler fleet expansion is likely to increase by 60 per cent in the next two decades, coupled with airport expansions worldwide. Air cargo players are expected to adapt to digital platforms for pricing and booking, predictive analytics, and innovative screening techniques. The success of Industry 4.0 will depend on the success of Logistics 4.0.



**Huned Gandhi**  
Managing Director Air and Sea  
Indian Subcontinent, Dachser Air  
and Sea Logistics

## Modern technology to simplify supply chain process

Many innovations have already been introduced, it is now being applied in all areas—from planning and forecasting to indenting, sourcing, order placement, freight track and trace, inventory management and paperless documentation at all stages. New tech will be developed to simplify the process and increase the stability of the supply chain worldwide. The future is about 'glocalization—a fusion of globalization with local

### New tech will be developed to simplify increase stability of the supply chain

and regional consideration. Freight forwarders are booking extended charter contracts to have their dedicated flight rotations on high traffic trunk lanes. With unprecedented

volatility and scarcity of capacity, several large freight forwarders have adapted to charters for securing the supply chains of their customers. Many large forwarders have taken the plunge and took scheduled charter flights on transpacific, transatlantic and China to European routes. A global megatrend for the coming years is sustainability. The increasing demand for eco-friendly products and processes is going to play a role in demand supply model.





Reaching over **4,00,000** people across India.

Advertise with CargoTalk to get  
coverage across platforms

Delhi  
abha.gupta@ddppl.com, +91 9650399916

Mumbai  
harshal@ddppl.com, +91 96194 99167





# Digital corridors to aid cargo movement

Kale Logistics Solutions is creating world's extensive digital logistics cloud for international supply chain by digitally connecting airports and ports via digital corridors. Average time for air cargo movement has hardly moved for more than three decades. An average air cargo shipment still generates 100 copies of documents.

**W**e are creating world's extensive digital logistics cloud for international supply chain by digitally connecting airports and ports via digital corridors. Future is multimodal, logistics community has now realized the importance of technology and the opportunities it can deliver in terms of efficiency, sustainability, and Ease of Doing Business (EoDB).

We are serving 100 air cargo stations across the world. We are working on expanding the reach and depth of our community platform by providing value-added features to the community such as complete enterprise applications for customs broking as well as freight forwarding rolled out through our cargo community platforms. We are also working on creating world's extensive digital logistics cloud for the international supply chain by creating a global network of airports and ports connected digitally through our digital corridors.

We believe that the future is multimodal, so we are working on creating sea-air corridors and additionally facilitating intermodal cargo movement. The customer has become an integral part of everything—from product/solution conceptualization, development, Proof of Concepts (trials), and feedback seeking continuous improvement. In the era of customer delight, niche segmentation, changing stake

expectations, and review/rating-based outlook, the customer is central to air cargo sector.

These hurdles are lack of supply chain visibility, more cargo dwell time, limited transparency, disparate systems that do not go well together, data integrity and completeness. It is vital to understand we cannot continue to work the way we had worked so far: the cargo remains on the ground for up to 85 per cent of the total transportation time. The average time for the air cargo movement has hardly moved over the past 30-35 years. An average air cargo shipment still generates 100 copies of documents. There are as many as 30 distinct types of documents to fill.

We believe CCS has a potential to save US\$50 billion annually in terms of efficiencies and save 10 billion copies of the paper (across air/sea modes). The technology is right here, all that it needs is the correct leadership with intent. We can no longer only pay lip service to the environmental and economic sustainability issues and play the waiting game. We believe that the airports or communities that will begin early will reap the maximum benefits and attract more cargo, and the rest can keep looking in awe.

So, the time to act is now, and we are there to hold hands throughout the digital transformation journey. When it comes to adapting to new technology, it is not a one-size-fits-



**Amar More**  
Co-Founder and CEO  
Kale Logistics Solutions

**We believe that airports or communities that begin early will reap maximum benefits and attract more cargo. So, we believe the time to act is now**

all approach. With integration with infra, the execution of massive digital transformation projects has proven to be challenging for the tech industry. Essentially, it is a skill set and element that trains AI or software for predictive insights, logical action and making sense of multiple data points within the business context. As an industry, we are no longer looking at simple IT skills for development.

Nonetheless, the focus has shifted to skills like business acumen, data analytics, decision science, and communication. Technology enablement companies are focused on standalone solutions, often working on a single problem. However, their client is keen to inspect a more integrated approach toward single umbrella solution deployment. But with legacy enterprise systems in place, the new implementation may disrupt the existing process flow and business activities, hence, organizations are reluctant to invest in this field.

We are planning to build Digital Trade Corridor as it helps in creating a transparent supply chain through exchange of real-time status of shipments between two airports and exchange of shipment data to eliminate duplicate processes. We have established the first digital air freight corridor between India and the Netherlands.

*Views expressed solely belong to the author.  
Written by Amar More, Co-Founder and Chief  
Executive Officer, Kale Logistics Solutions*



# Automation key for air cargo resilience

The 46th convention of Air Cargo Agents' Association of India (ACAAI) will begin in Bangkok, Thailand from Nov 24 till 27. The Convention's theme is 'Resilient Air Cargo Industry-Post Pandemic'. **Mohamed Afzal Malbarwala**, President, ACAAI says, with rise in cargo volumes and country becoming a manufacturing hub hassle-free movement of cargo is required.



Ritika Arora Bhola

## How is the Indian air cargo industry gearing up for growth in new normal?

The ongoing pandemic has had a major impact on the air cargo industry. Nevertheless, the industry performed exceptionally well and delivered good results despite the severe challenges. Learning from disruptions faced, the air cargo industry is focussed on enhancing the infrastructure at all major cargo points, ensuring our airports are aligned to modern day cargo handling requirements and developing long due connecting links from the manufacturing zone



### FACTFILE

→ At the forum, we will discuss about the challenges faced in the ongoing pandemic, the increased freight rate, scarcity of space, and GST waiver on freight charges.

to the airports. With cargo volumes growing and the country becoming a favoured manufacturing hub, we need to ensure seamless, resilient, and hassle-free movement of shipments. To this extent, utilizing modern-day advanced technologies will be a significant factor.

### What, according to you, are the key growth drivers?

As in any developing country, Ease of Doing Business, reliable infrastructure complemented by competitive pricing are the key drivers of growth. Our businesses are time critical, when customers are willing to pay premium costs, they expect services in return.

### How do you justify the theme of ACAAI Convention. What will be the key focus points?

We will discuss extensively about the challenges faced in the ongoing pandemic, the increased freight rate and scarcity of space, issues being faced with the airlines when COVID cases have started subsiding, and lastly, the GST waiver on freight charges, which every year we have been discussing with central government.

### What innovative solutions can you suggest for resolving the above-mentioned issues?

Despite the air cargo industry's



contribution to the Indian economy, we still lack standardised infrastructure at our airports. This is connected directly to the Ease of Doing Business and result in excessive costs. Our next step forward must be aligned to standardize processes where customers experience the same delight and ease of shipment execution irrespective of the airport they operate from. Hence automation is the key to achieving this.

#### **Where do you see ACAAI heading towards in the next five years?**

ACAAI is still young by 52 years, and is always looking at the betterment of the air cargo industry by bringing to light the crucial areas of concern, addressing the core issues with its members and government, and suggesting innovative solutions to overcome the challenges. We have been doing this ever since ACAAI was set up and we will continue with it.

#### **How would you use your expertise to transform the cargo industry, and benefit the industry stakeholders?**

We believe in understanding the pulse of the customer. We make efforts to understand the challenges they face and by employing innovative solutions, we try to bridge the gap and help them to ship faster, and in a cost-efficient manner. By bringing likeminded industry stakeholders together, we believe we can achieve the desired results.

#### **How important is an association's role in transforming the air cargo sector?**

Associations help in putting across ideas and thoughts to bring about a change. It is of paramount importance to have frequent interaction with the industry stakeholders and government to get in a transformation.

#### **How do you think the government's latest initiatives such as PM Gati Shakti Master Plan, and Make in India can boost the sector?**

Industry supporting solutions such as PM Gati Shakti Master Plan are welcomed by all the stakeholders. We

are happy to see this initiative finally come to life. Planned connectivity of key places across the Indian geography is vital to enhance production in India and thus support export growth and a balanced import movement. Apart from providing the required connectivity domestically, this will set the tone for future initiatives involving multimodal transport solutions from and into India.

#### **As converted freighter aircraft will continue beyond COVID, do you think there will be a boom in freighters. Will freighters' survive in this scenario?**

There was a space and capacity issue during the peak of pandemic. Airlines converted a majority of their pax aircraft to P2C and operated freighters. Once the pax flights start in full, there will be enough belly space. However, freighters will operate but not as much as were being operated during COVID.

#### **Do you think India needs more Air Freight Stations (AFSs). What are the initiatives taken in this connection?**

Yes, India needs AFSs. Today, only the major gateway airports are heavily congested during the peak season and shipments get delayed. Expansion of air cargo complexes are also a challenge due to scarcity of space.



**Mohamed Afzal Malbarwala**  
President ACAAI & Founder, Galaxy Freight

**We believe in understanding the customer's pulse. We make efforts to understand the challenges they face by employing innovative solutions**

Here the AFSs will be an advantage and generate more employment opportunities for the local people of the area.

#### **Do you think the country has the potential to become a transshipment hub with the kind of developments going on in the domestic air cargo sector?**

Today, it might be a new chapter for India, but it is happening all over the world. We are constantly in talks with government, and we believe the officials will shortly allow transshipment to begin with metro gateways.

#### **Many regional airports across the country are getting new cargo complexes and terminal buildings. How will it boost the cargo movement, especially in tier II and tier III cities?**

With new cargo complexes being built in regional airports, domestic carriers should be given permission to carry bonded cargo to gateways where international flights are operating. Even the local movement of vegetables, fruits, and general products will be an advantage, in this case, the cost of air freight must be worked out, it should not be high else the cost of the product will increase for local people. 📦





# SriLankan Airlines gearing up for growth

Despite ongoing pandemic, SriLankan Airlines is gearing up to meet demand in new normal. Economic situation led to shortage of jet fuel availability in Sri Lanka, requiring airlines to adopt dynamic network planning strategies of an unprecedented scale, says **Chaminda Perera**, General Manager, SriLankan Cargo.



Ritika Arora Bhola

**D**espite the crises which the country is facing, how is the carrier gearing up to meet the increased demand and 100 per cent capacity utilisation in the new normal?

The ongoing economic and political predicament in Pearl of the Indian Ocean has impacted the levels of production and trade and is, therefore, affecting the volumes to and from Sri Lanka. As the national airline of Sri Lanka, the airline continues to prioritize local exporters in continuing to act as a lifeline for the community.

**With the inclusion of the new import terminal in 2023, the volumes will increase up to 427,500 MT at the Bandaranaike International Airport (BIA) in Katunayake**

**What are the strategies adopted by the airline to move ahead and achieve growth? Any contingency plans adopted to deal with the crises?**

The economic situation led to a shortage of jet fuel availability in Sri Lanka, requiring the airline to adopt dynamic network planning strategies

on an unprecedented scale. The resulting measures to bring in jet fuel to the country to sustain hub operations have inhibited cargo payloads. However, the dynamism in terms of network and capacity planning by the SriLankan Cargo was significant to mitigate the effects of the Sri Lankan economic

crisis and maintaining the planned flight schedule.

**Throw light on your present freighters fleet. What is the reach of your network globally? Any plans to add new freighters or destinations?**

Considering the present global and local market conditions affected by geopolitical factors, the airline will focus on optimizing the existing fleet of aircraft with combined passenger and cargo sales. The capacity on the network facilitates key cargo trade lanes connecting the Far East, Middle East, Indian Sub-Continent and Europe.





### Explain about digital and physical infra for efficient storage, handling, and transportation of all types of cargo, especially cold chain products, pharma, and bulk cargo?

SriLankan Cargo is the sole ground handler in Sri Lanka and recorded an annual throughput of 250,000 MT. With the inclusion of the new import terminal in 2023, the handled volumes will increase up to 427,500 MT at the Bandaranaike International Airport (BIA) in Katunayake. The cargo terminals maintain cold storage facilities with a capacity of 1,000 cubic meters, allowing the storage of

temperature ranges 0 to -20°C, 2 to 8°C, 0 to 15°C, and 15 to 25 °C.

### How would you rate infra in Sri Lanka for efficient cargo movement? Does it support plans to move cargo efficiently or do you feel there is need for improvement?

Sri Lanka exports account for 60 per cent of the total handled volume, of which 40 per cent is accounted for by fresh produce. The Export Development Board (EDB) and various perishable exporter organizations have expressed their concern on the damage to the quality of the produce by the cargo being exposed to adverse temperature conditions, which leads to 'expensive wastage' and hinders the competitiveness of Sri Lankan produce in the global market. Taking into consideration, the national interest of preserving quality of the produce during the processing time at BIA, SriLankan Cargo is currently pursuing an option for maintaining a 'cool chain' from time of acceptance to uplift on the aircraft, benchmarking the international ground handling facilities provided at many international hubs.

The present combined handling of perishables and general cargo result in concerns in relation to congestion at the terminal during peak periods of operation. These include delays in connectivity and build up due to the specialized screening requirements for



**Chaminda Perera**  
GM, SriLankan Cargo

### Considering the present global and local market conditions, SriLankan Cargo will focus on optimizing the existing fleet of aircraft with combined passenger and cargo sales

commodities as well as 'wet' nature of perishable cargo damaging general cargo packaging when utilizing the same screening machines. SriLankan Cargo intends to demarcate an area for handling courier cargo alongside the dedicated handling facilities provided for general cargo to enhance the speed of handling and connectivity required by the commodity and develop a product for a global courier hub as a strategy to cater to the fast-growing e-commerce sector.

### Please elaborate on the Indian destinations covered, and what kind of cargo is moved to and from the country?

SriLankan Airlines maintains a scheduled line of operations to Chennai, Mumbai, Delhi, Kochi, Hyderabad, Bengaluru, Madurai, Tiruchirappalli, and Thiruvananthapuram in India. It also connects to Abu Dhabi and Dubai in the UAE, Doha in Qatar, Dammam and Riyadh in Saudi Arabia, Muscat in Oman, and Kuwait in the Middle East. The main export commodities from India into the Middle East are fresh fruits and vegetables, as well as chilled fish, pharmaceutical and engineering goods, and other general cargo. The exports from the Middle Eastern market into India are personal effects shipments.

### Sustainability has become the buzzword in the air cargo sector. Kindly share with us the carbon-neutral initiatives taken by the airline in this regard?

SriLankan Airlines maintains a fleet of electric ground handling equipment with the focused enhancement to account for 50 per cent of the fleet by 2030. Commending the airline's corporate environment policy, SriLankan Cargo signed an air waybill (e-AWB) as an initiative to reduce paper consumption and promote a paper-free work environment that would enable SriLankan Cargo to perform its functions efficiently. The e-AWB penetration accounts for as much as 85 per cent of all exports uplifted out of Sri Lanka with a targeted 100 per cent penetration by December 2022. 🐦





# ‘Defence aircraft to ferry agri produce, perishables’

We have huge cargo capacity, and the steps should be taken to improve the same. If more volumes are transported via air, logistics cost will be reduced. To this end, we are improving infrastructure, while MoCA is developing amenities at 600 locations near national highways, says **Gadkari** at 12th edition of DACAAI Convention.



CT Bureau

**N**itin Gadkari, Union Minister of Transport and Highways said, “The well-developed air cargo infrastructure will not only benefit the airports, but also the region’s economy. Air cargo has the biggest advantage of speed, it saves transit time and helps global businesses in a big way. Air cargo plays a greater role in giving an impetus to transportation and supply of raw materials and components to the desired manufacturing location. However, it is true that in the domestic market, air cargo share is low, and the challenges are many. We have a huge

## FACTFILE

→ Air cargo has the biggest advantage of speed to save transit time, which can help international businesses in a big way.

→ Air cargo plays role in giving an impetus to ferrying raw materials and components to the desired manufacturing location.

freighter capacity, which should be utilised efficiently.” He was addressing the recently concluded 12th edition of the Domestic Air Cargo Agents’ Association of India (DACAAI) Convention in New Delhi.

Movement of cargo via air will help in reducing logistics cost, he said. “We are committed to make our country Atmanirbhar Bharat in the Amrit Kaal—the next 25 years. The foremost thing for that is reducing the logistics cost to 8 per cent of Gross Domestic Product (GDP). It will benefit all the sectors as well as the economy,” added Gadkari.

Focusing on the development of physical infrastructure and adoption

of advanced digital solutions, the minister said, “Aviation infrastructure should be developed using the latest technologies. If we can make it efficient and accessible, it will be created in huge numbers. Air cargo has the biggest advantage of speed to save transit time, which can help international businesses in a big way. We have a huge capacity, which should be improved by taking appropriate measures. If we transport more volumes by air, logistics cost will also be reduced.”

Gadkari also focused on boosting domestic perishables trade. He said, “I am in discussion with the Union Defence Minister regarding use of defence aircraft for





**We are committed to make our country Atmanirbhar Bharat in the Amrit Kaal—the next 25 years. The foremost thing for that is reducing the logistics cost to 8 per cent of the Gross Domestic Product. It'll benefit all the sectors of the economy**

transportation of fruits, vegetables and agriculture produce.”

He continued, “The aviation sector is developing world-class venture amenities at 600 locations along national highways. The facilities will have dormitories for truck drivers, EV charging facilities, retail shops promoting handicrafts and locally manufactured products. The government is working on developing new airports, and economic capacity of terminals. The potential airports are being laid out through PPP mode, and a decision has been taken to club the bigger airports with nearby smaller ones. This would improve access to markets in tier II and III cities, which will plan and develop air cargo in an integrated manner with the roadways, railways, and waterways linkage.”

The PM Gati Shakti Master Plan would make the country's products more competitive by cutting down the logistics cost and improving the supply chains. The minister said, “We need to accord top priority to waterways, industrial clusters, digital centres, and economic zones near the river front. We are developing around 35 multimodal logistic parks at a cost of ₹ 2 lakh crores. To reduce logistics cost, we have signed an MoU with the Inland Waterways Authority (IWA).”

The Union Civil Aviation Ministry has undertaken initiatives to promote perishables transportation through Krishi Udaan to help improve value realization through better integration and optimization of air transportation. “I would urge the freight forwarders community to make the maximum advantage of these schemes,” concluded Gadkari.

The DCAAI held its Convention with the theme, ‘The Future of Domestic Air Cargo in India: Way Forward.’ The event began with the inaugural address by Suraj Agarwal, the Secretary, DCAAI followed by the lamp lighting ceremony; Arvind Nayak, the President DCAAI; Gaurav Ghuwalewala, the VP and Founder, DCAAI; Amit Bajaj, the Immediate Past President, DCAAI, and air cargo experts and government officials such as Amber Dubey, Joint Secretary, MoCA, Mahesh Malik, CCO, IndiGo Cargo, Kamesh Peri, CEO, Celebi Delhi Cargo Terminal Management India, among others. The DCAAI members also launched the yearly handbook in the virtual presence of the minister. The focus was on building resilience in the domestic air cargo sector.

Talking about the convention, Agarwal said, “We were planning to have

this Convention since 2021 and our yearbook was supposed to be released then, but due to the pandemic it got delayed. The idea is to interact with the stakeholders to take this industry forward. There is a lot of scope, and the numbers that can be doubled easily. We must stick together and discuss to remove the hurdles, restricting growth of the domestic industry. We have the government's support.”

The experts highlighted how the leading domestic airlines are launching freighters in the coming months to meet the outpouring of demand and new cargo complexes coming up at the regional airports so as to give an impetus to logistics activities from tier II and III cities. The experts focused on the growing e-commerce sector boosting air cargo domestically.

“We have adequate infrastructure, policies and manpower in place to come up to pre-COVID levels in the coming years. We have the government's support, and are moving in the right direction,” said Nayak. “At present, we need 100 per cent digitalisation to cut down costs and time. Air cargo is all about speed and the industry needs to maintain that.”

Focusing on the crucial areas of concern for the domestic air cargo sector,



#### FACTFILE

→ We are developing around 35 multimodal logistic parks at a cost of ₹ 2 lakh crores

→ Industrial collaborations will help in achieving the target of 10 million tons by 2030 for both domestic and global cargo.



Ghuwalewala said, "There is shortage in capacity, which has been augmented by bringing in new freighters. There is need for adequate infrastructure to process the transportation of perishables. India has a potential for transportation of perishables, and thus needs more cold chain facilities".

Kamal Hingorani, CCO, SpiceJet said, "The air cargo capacity will go up in the coming months and I am talking about only the narrow body passenger aircraft that can carry less volumes. Domestic airlines are now bringing in new freighters into industry, which are pure freighters, anything with from 20 to 25 tons capacity typically. I strongly believe there is an opportunity for bringing in more air capacity."

Focusing on need for industrial collaborations, Amber Dubey, Joint Secretary, MoCA said, "Industrial collaborations will help in achieving the target of 10 million tonnes by 2030 for both domestic as well as international cargo. The industry should collaborate and work towards achieving one mission—growth. All

## Drones will help in ferrying variety of cargo, especially pharma, to remote locations. We will see more cargo drones in coming years

the respective organisations should team up and keep their ego aside and work towards the industry's benefit," said Dubey. Focusing on the growing importance and prominence of cargo

drones, he added, "Drones will help in transportation of variety of cargo, especially pharmaceuticals, to the remote locations and far off areas. We will see more cargo drones in

the coming years." He urged the industry to make the best use of adopting cost-effective IT solutions and digitalisation for resilient supply chain operations."Cargo drones, he said, are here to stay. This is a new breakthrough technology. These drones can go anytime, anywhere. It can go to small payloads from less than a kilo to 2,000 kilos. That is the versatility that this technology brings in."





# Air cargo family unites at DACAAI

The 12th edition of Domestic Air Cargo Agents' Association of India (DACAAI) Convention and Domestic Air Cargo Summit was held recently in New Delhi. Nitin Gadkari, Union Minister of Road Transport and Highways was the chief guest of the event, which saw presence from the air cargo fraternity from across the country.









# Export growth in commodity groups in July 2022

Sl. No.	Commodities	(Values in million US\$)		% Change
		JUL'21	JUL'22	JUL'22

## Commodity groups exhibiting positive

1	Tobacco	65.16	113.48	74.16
2	Electronic Goods	1244.20	1817.64	46.09
3	Coffee	71.19	93.39	31.18
4	Rice	710.94	930.50	30.88
5	Cereal preparations & miscellaneous processed items	182.45	227.18	24.52
6	Oil Meals	65.45	80.64	23.21
7	Oil seeds	76.58	92.68	21.02
8	Meat, dairy & poultry products	256.39	308.81	20.45
9	Leather & leather products	387.72	464.38	19.77
10	Ceramic products & glassware	295.97	332.28	12.27
11	Tea	70.07	78.33	11.79
12	Petroleum Products	5840.02	6376.21	9.18
13	Organic & Inorganic Chemicals	2426.09	2620.85	8.03
14	Fruits & Vegetables	220.06	234.00	6.33
15	Other cereals	96.78	101.98	5.37
16	Spices	338.42	343.53	1.51
17	Marine Products	701.60	711.87	1.46
18	Mica, Coal & Other Ores, Minerals including processed minerals	406.45	409.77	0.82

## Commodity groups exhibiting negative growth

19	Iron Ore	363.20	20.58	-94.33
20	Handicrafts excl. hand made carpet	189.04	121.23	-35.87
21	Cotton Yarn/Fabs./made-ups, Handloom Products etc.	1315.42	944.92	-28.17
22	Cashew	36.68	26.92	-26.61
23	Carpet	158.23	117.75	-25.58
24	Man-made Yarn/Fabs./made-ups etc.	486.91	437.59	-10.13
25	Gems & Jewellery	3459.67	3279.36	-5.21
26	Plastic & Linoleum	832.61	803.25	-3.53
27	Engineering Goods	9545.20	9346.52	-2.08
28	Jute Mfg. including Floor Covering	39.86	39.17	-1.73
29	Drugs & Pharmaceuticals	2145.67	2123.16	-1.05
30	RMG of all Textiles	1389.22	1380.91	-0.60

(Source: Ministry of Commerce & Industry, Government of India)

# Upskilling existing workforce a concern

Air Cargo Forum India (ACFI) has made its presence felt in air freight segment through its commendable efforts. ACFI is working towards achieving government's ambitious growth plan of reaching 10 mn ton of air cargo by 2030. **Yashpal Sharma**, President, ACFI & MD, Skyways Group focusses on importance of collaboration and setting benchmark globally.



Ritika Arora Bhola

## What are going to be your key responsibilities in your new position?

Since its formation, ACFI has been pursuing important trade matters related to process simplification, knowledge building through research and skilling industry workforce. The ACFI's objectives cover areas, which can help the industry grow with an all-inclusive approach. My new role includes coordinating with each of our 'Task Pillars' created to continue the efficient work done by the past presidents and governing board members and address issues that represent interests of ACFI members.

## What are the crucial areas of concern for the industry? What innovative solutions can you suggest for resolving the issues?

Today, we are positioned in terms of digital adoption, automation, and

**Today, we are positioned in terms of digital adoption, automation, and integration with stakeholders of the supply chain**

integration with other stakeholders of the logistics supply chain. Upskilling our existing workforce is one of the key concerns and with the upbeat projections of growth in the industry, we would need to collectively work to empower our workforce with training to make them future-ready.

## Where do you see ACFI heading to in the next five years?

I will make my best efforts to take ACFI into a higher orbit by engaging with all stakeholders and policy makers at local and international level. Over the next five years, I see ACFI collaborating with various industry bodies in India and overseas to position air cargo strongly and contribute to carving out knowledge bank, process improvements and building a robust eco-system for galvanising the industry in the country.

## What are ACFI's upcoming projects, plans or events?


All our activities are defined under



**Yashpal Sharma**  
MD  
Skyways Group

five task pillars. Each of these pillars has been working on their key points of action for this term (2022-24). The governing board has given itself 60-day timeline to structure things for our term. Work has been going on to set up the new teams for the task pillars and regional chapter set-ups. Post this, we will be in an active drive to carry out the key points of each pillar and region.

## How vital is an association's role in transforming the cargo sector?

Any association can play a constructive role by its participation, and collaboration with other stakeholders. A trade body must be matched with its issue-resolving capacity and hand holding of its members. It must advocate the industry pain points to the authorities and ensure there is lot of internal deliberations done, as many key points that need to be resolved, are within the stakeholders. 








# LET US TAKE THE BURDEN OF YOUR CARGO

WORLDWIDE TRANSPORTATION



Emergency assistance round the clock



Tailor made end to end solutions

## LOGISTICS FOR

Fashion | Pharma | Chemicals  
White goods | Aviation | Engineerings  
| Automobiles | Dangerous goods



Transparent & timely deliveries



Dedicated team of competent professionals



COMMITMENT & KEEN SENSE  
OF RESPONSIBILITY IN  
EVERYTHING WE DO

## OUR SERVICES

Air Freight | Dangerous Goods Transportation  
Pharma & Life Science Shipments | Sea Freight | Next Flight Out (NFO)  
International Courier | Warehousing | Packaging

## OUR BRANCHES

Ahmedabad | Belapur | Bengaluru | Chennai | Delhi | Gurugram | Hyderabad  
Kochi | Kolkata | Mumbai | Thoothukudi | Panvel

H.O.: 201, Star Hub, Next to ITC Hotel,  
International Airport Road, Andheri (E), Mumbai - 400059.

contact@galaxyfreight.com | +91 22 6651 4100



www.galaxyfreight.com

# ‘Digital disruptions are changing cargo scenario’

There are many disruptions regarding cargo movement in USA and Europe. However, in India, cargo movement is happening smoothly thanks to government initiatives such as Gati Shakti Master Plan and Atmanirbhar Bharat among others and industry supported by ports, airports, roads, ICDs and CFS, says **Shankar Shinde**, Chairman, FFFAI.



CT Bureau

**T**he Federation of Freight Forwarders in India (FFFAI) organised its 24th Biennial Convention in Chennai from August 12 to 14 with the theme—‘Logistics-Reshape, Embrace and Surge in the Digital Era’.

While addressing the audience at the convention, **Shankar Shinde**, Chairman, FFFAI stressed on the importance of changing scenario of the global logistics industry due to digital disruption and its impact on

## FACTFILE

→ We are witnessing cargo movement disruptions in USA and Europe. However, in India, cargo movement is happening smoothly.

→ FFFAI has signed an MoU with FIATA to implement the same in India so as to benefit Indian customs brokers/ forwarders.

the same. He said that currently the manufacturing industry is undergoing the phase of Industrial Revolution 4.0 due to massive use of IT owing to the invention of steam engine, automation, and computerization. Quoting Prime Minister Narendra Modi, “IT+IT= IT (India’s Talent +IT = India Tomorrow),” Shinde stated that logistics professionals will have to seize the opportunity for their survival and growth by adopting smart technologies for a way forward.

He commended the initiatives of the present government to proactively

resolve the problems being faced by the exporters/importers, customs brokers/ freight forwarders and, logistics industry through various policy and regulatory mechanisms and infra development. In his opinion, the Gati Shakti Master Plan would be a landmark decision to develop the multimodal logistics infra and connectivity in the country. He also emphasized on concerted efforts of different trade associations and industry chambers in collaboration with the present government to achieve the country’s target of US\$5 million economy by 2015, in which contribution





of the logistics industry would be the key factor.

Among those who took part in the Convention included Amrit Lal Meena, Special Secretary (Logistics), Union Ministry of Commerce, Niraj Ambani, Group President-Supply Chain, Reliance Industries Ltd, Dr Kunio Mikuriya, Secretary General, World Customs Organisation (WCO), Shashi Kiran Shetty, CMD, Allcargo Logistics and Chairman, National Institute of Industrial Engineering (NITIE), Dr Ivan Petrov, President, FIATA, Shankar Shinde, Chairman, FFAI, AV Vijayakumar, Convenor and Immediate Past Chairman, FFAI and, Dushyant Mulani, Chairman-Elect, FFAI.

Vijayakumar elaborated on the Convention's theme and urged the stakeholders to adopt digitization.

While delivering special address, Shashi Kiran Shetty elaborated on the growth trajectory of India's economy and the country's potential of positioning itself as a manufacturing and logistics hub.

"Contribution of logistics industry to the nation's economy was unrecognized. However, the emergence of e-commerce and disruptions due to the pandemic showed the role being played by the logistics industry. I appreciate the government has duly recognized it," said Shetty and continued, "We are witnessing disruptions regarding cargo movement in many areas such as USA and Europe. However, in India, cargo movement is happening smoothly thanks to efforts from the government and industry supported by ports, airports, roads, ICDs and CFS infrastructure." Shetty also urged for a well-defined policy document for the

## Emergence of e-commerce and disruptions due to the pandemic showed the role being played by the logistics industry

logistics industry to grow further. He also emphasized on the responsible logistics and appealed the fraternity to work for green logistics and women empowerment.

Focusing on the shipper's perspective and changing requirements of the customers, Ambani highlighted the gradual improvement of logistics services in the country with required

policy and regulatory support from the government. He said the National Logistics Policy will be the much-desired announcement in this regard to shape up the industry to world standard. He commended the ULIP initiative of the government under the PM Gati Shakti Master Plan.

Meena highlighted the role being played by the customs brokers, freight forwarders, and logistics service providers to streamline the manufacturing and EXIM trade. He also recognized the vital role played by the logistics service providers during the pandemic and lockdowns to ferry vaccines, equipment, and essential goods. He assured full support from the government to this sector through various forward looking and industry-friendly initiatives.

## INTRODUCTION OF E-FBL

The FIATA Bill of Lading (e-FBL) was introduced at the recently concluded FFAI Convention by Sarbananda Sonowal, the Union Minister of Ports, Shipping & Waterways and Minister of AYUSH, who was invited as the Chief Guest to inaugurate the business sessions on 13 August 2022. The FIATA Paperless Bill of Lading allows the forwarders to issue secured eFBL through their everyday tools such as TMS and other software, facilitating the issuance process by removing double data entry. The forwarders can then decide in which format they wish to share the document: as a secured printed document or in digital format. Established 30 years ago, the Negotiable FIATA Multimodal Transport Bill of Lading is a trustworthy trade document, which includes the necessity for the document issuer to be a valid







FIATA/National Association member and to have a valid liability insurance. It is the only multimodal Negotiable Standard Bill of Lading, set up by FIATA for use by freight forwarders acting as Multimodal Transport Operators' (MTO).

It is based on Blockchain Technology and hence provides the much-needed transparency, security, and accountability in the supply chain. Introducing the eFBL,

**FFFAI's initiatives such as eFBL would make Indian products reach out to global markets with reduced costs**



Shinde said that FFFAI has signed an MoU with FIATA to implement the same in India so as to benefit Indian customs brokers/ forwarders and improve EoDB in view of the rapid change in the logistics

and supply chain sectors owing to digitalisation.

Sonowal stressed upon the importance of an IT-driven logistics industry for rapid development of cargo. And FFFAI's

initiatives in this regard through services such as eFBL would make Indian products reach out to global markets with reduced transaction times and costs, which in turn make Indian products competitive in international markets.







# FFAI convention held in Chennai

Federation of Freight Forwarders in India (FFAI) organised its 24th Biennial Convention in Chennai from 12-14 August with the theme – 'Logistics–Reshape, Embrace and Surge in Digital Era.' Convention saw participation of several government representatives and industrialists from across India and abroad.





# Global air cargo shows resilience in June: IATA

IATA released data for global air cargo markets showing healthy and stable performance across the sector. Trade activity ramped-up slightly in June as lockdowns due to Omicron in China were lifted. Capacity was 6.7% per cent above June 2021 (+9.4% for global operations). This was an increase on 2.7% year-on-year growth recorded in May.



CT Bureau

Global demand, measured in cargo tonne-kilometers (CTKs), was 6.4 per cent below June 2021 levels (-6.6 per cent for international operations). This was an improvement on the y-o-y decline of 8.3 per cent seen

**Asia-Pacific Airlines saw their air cargo volumes dip by 2.1 per cent in June 2022 as against the same period in 2021. Demand for F1 was 2.7 per cent below 2021 levels**

in May. Global demand for the first half of the year was 4.3 per cent below 2021 levels (-4.2 per cent for global operations). Compared to pre-COVID levels (2019), the demand in the first half of 2022 was up 2.2 per cent, according to data released by International Air Transport Association (IATA). Capacity was 6.7 per cent above June 2021 (+9.4 per cent for international operations). This was an increase on the 2.7 per cent year-on-year growth recorded in May. Capacity for the F1 was up 4.5 per cent (+5.7 per cent for international operations) compared to first half-year of 2021.

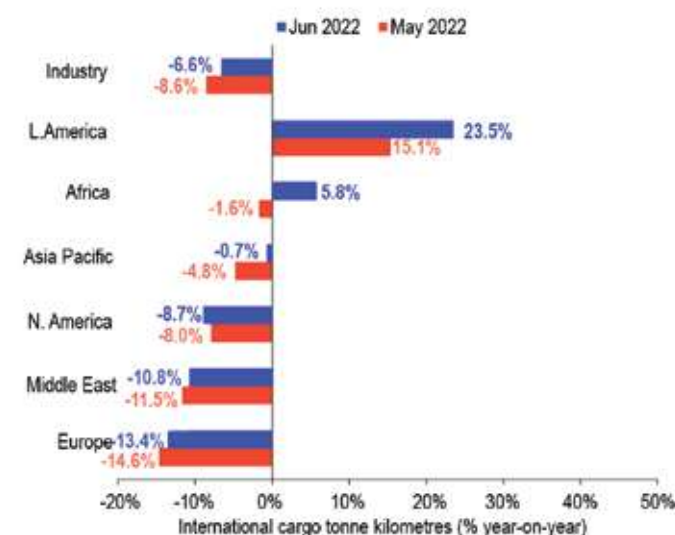
## JUNE PERFORMANCE

Asia-Pacific Airlines saw their air cargo volumes decrease by 2.1 per cent in June 2022 as against the same period in 2021. This was an improvement over 6.6 per cent decline in May. Demand for the F1 was 2.7 per cent below 2021 levels. Airlines in the region have been impacted by lower trade and manufacturing activity due to lockdowns in China. This continued to ease in June as curbs were lifted. Available capacity in the region declined by 6.2 per cent compared to June 2021. This contributed to capacity being 0.2 per cent below 2021 levels for the F1 of 2022.

**North America:** The carriers posted a 6.3 per cent decrease in cargo volumes in June 2022 compared to June 2021. Demand for the F1 2022 was 3.3 per cent below 2021 levels. High inflation is affecting the region. Demand in the Asia-North America market is decreasing, and the Europe-North America market has started to decline. Capacity was at 5.6 per cent in June 2022 as against June 2021 and up 6.1 per cent for the F1 of 2022.

**Middle East:** The carriers recorded a y-o-y fall of 10.8 per cent in volumes in June. Traffic was redirected to avoid flying over Russia failed to materialize. Capacity was up 6.7 per cent as against June 2021, while demand for F1 was 9.3 per cent below 2021 levels, the weakest F1 performance.

## Int'l CTK growth (airline region of registration)



Sources: IATA Economics, IATA Monthly Statistics





# Air cargo market in detail - June 2022

		June 2022 (% ch vs the same month in 2019)				June 2022 (% year-on-year)			
	World share <sup>1</sup>	CTK	ACTK	CLF (%-pt) <sup>2</sup>	CLF (level) <sup>3</sup>	CTK	ACTK	CLF (%-pt) <sup>2</sup>	CLF (level) <sup>3</sup>
<b>TOTAL MARKET</b>	<b>100.0%</b>	<b>0.8%</b>	<b>-6.0%</b>	<b>3.3%</b>	<b>49.2%</b>	<b>-6.4%</b>	<b>6.7%</b>	<b>-6.9%</b>	<b>49.2%</b>
International	87.0%	0.4%	-6.8%	3.9%	54.5%	-6.6%	9.4%	-9.4%	54.5%

<sup>1</sup>% of industry CTKs in 2021

<sup>2</sup>change in load factor vs same period in 2019

<sup>3</sup>Load factor level

		June 2022 (% year-on-year)				% year-to-date			
	World share <sup>1</sup>	CTK	ACTK	CLF (%-pt) <sup>2</sup>	CLF (level) <sup>3</sup>	CTK	ACTK	CLF (%-pt) <sup>2</sup>	CLF (level) <sup>3</sup>
<b>TOTAL MARKET</b>	<b>100.0%</b>	<b>-6.4%</b>	<b>6.7%</b>	<b>-6.9%</b>	<b>49.2%</b>	<b>-4.3%</b>	<b>4.5%</b>	<b>-4.9%</b>	<b>52.6%</b>
Africa	1.9%	5.7%	10.3%	-1.9%	44.7%	2.9%	6.9%	-1.9%	48.8%
Asia Pacific	32.6%	-2.1%	6.2%	-5.2%	60.8%	-2.7%	-0.2%	-1.6%	62.0%
Europe	22.8%	-13.5%	5.6%	-11.2%	50.7%	-7.8%	3.7%	-7.4%	59.3%
Latin America	2.2%	19.6%	29.5%	-3.2%	38.3%	21.8%	32.6%	-3.7%	41.9%
Middle East	13.4%	-10.8%	6.7%	-9.6%	48.8%	-9.3%	6.3%	-8.7%	50.7%
North America	27.2%	-6.3%	5.6%	-5.1%	40.4%	-3.3%	6.1%	-4.2%	43.2%
<b>International</b>	<b>87.0%</b>	<b>-6.6%</b>	<b>9.4%</b>	<b>-9.4%</b>	<b>54.5%</b>	<b>-4.2%</b>	<b>5.7%</b>	<b>-6.1%</b>	<b>59.0%</b>
Africa	1.9%	5.8%	10.1%	-1.8%	45.5%	3.0%	6.6%	-1.7%	49.6%
Asia Pacific	29.5%	-0.7%	11.8%	-8.3%	66.0%	-0.8%	7.2%	-5.5%	68.7%
Europe	22.4%	-13.4%	6.6%	-12.3%	53.4%	-7.7%	4.0%	-7.9%	61.6%
Latin America	1.8%	23.5%	28.0%	-1.7%	45.4%	23.5%	30.5%	-2.9%	50.5%
Middle East	13.4%	-10.8%	7.0%	-9.8%	49.1%	-9.3%	6.4%	-8.9%	51.1%
North America	18.0%	-8.7%	9.1%	-9.2%	47.2%	-4.8%	2.5%	-4.0%	52.1%

<sup>1</sup>% of industry CTKs in 2021

<sup>2</sup>Year-on-year change in load factor

<sup>3</sup>Load factor level

Note: the total industry and regional growth rates are based on a constant sample of airlines combining reported data and estimates for missing observations. Airline traffic is allocated according to the region in which the carrier is registered; it should not be considered as regional traffic. Historical statistics are subject to revision.

		June 2022 (% ch vs the same month in 2019)				Year-to-date (% ch vs the same period in 2019)			
	World share <sup>1</sup>	CTK	ACTK	CLF (%-pt) <sup>2</sup>	CLF (level) <sup>3</sup>	CTK	ACTK	CLF (%-pt) <sup>2</sup>	CLF (level) <sup>3</sup>
<b>TOTAL MARKET</b>	<b>100.0%</b>	<b>0.8%</b>	<b>-6.0%</b>	<b>3.3%</b>	<b>49.2%</b>	<b>2.2%</b>	<b>-8.9%</b>	<b>5.7%</b>	<b>52.6%</b>
Africa	1.9%	11.9%	-15.4%	10.9%	44.7%	16.2%	-11.9%	11.8%	48.8%
Asia Pacific	32.6%	-1.3%	-14.7%	8.3%	60.8%	-3.1%	-19.3%	10.3%	62.0%
Europe	22.8%	-11.5%	-13.0%	0.8%	50.7%	-5.0%	-17.0%	7.5%	59.3%
Latin America	2.2%	-3.7%	-8.0%	1.7%	38.3%	-3.3%	-20.0%	7.2%	41.9%
Middle East	13.4%	2.3%	-5.2%	3.6%	48.8%	0.9%	-7.1%	4.0%	50.7%
North America	27.2%	14.9%	8.8%	2.1%	40.4%	17.0%	9.8%	2.6%	43.2%
<b>International</b>	<b>87.0%</b>	<b>0.4%</b>	<b>-6.8%</b>	<b>3.9%</b>	<b>54.5%</b>	<b>2.5%</b>	<b>-10.0%</b>	<b>7.2%</b>	<b>59.0%</b>
Africa	1.9%	13.2%	-14.2%	11.0%	45.5%	17.5%	-10.3%	11.7%	49.6%
Asia Pacific	29.5%	1.8%	-9.5%	7.3%	66.0%	1.1%	-14.7%	10.7%	68.7%
Europe	22.4%	-11.5%	-14.1%	1.6%	53.4%	-5.1%	-17.3%	7.9%	61.6%
Latin America	1.8%	-1.6%	-4.9%	1.5%	45.4%	-2.0%	-18.4%	8.5%	50.5%
Middle East	13.4%	2.3%	-5.2%	3.6%	49.1%	1.0%	-6.8%	3.9%	51.1%
North America	18.0%	12.4%	5.8%	2.8%	47.2%	16.3%	5.3%	4.9%	52.1%

<sup>1</sup>% of industry CTKs in 2021

<sup>2</sup>change in load factor vs same period in 2019

<sup>3</sup>Load factor level

Note: the total industry and regional growth rates are based on a constant sample of airlines combining reported data and estimates for missing observations. Airline traffic is allocated according to the region in which the carrier is registered; it should not be considered as regional traffic. Historical statistics are subject to revision.

# 'Govt initiatives to alter logistics industry'

**CV Kumar**, Chief Executive Officer, CCI Logistics in an exclusive interview shares, demand for warehousing will continue to grow due to rise in e-commerce activity and they have plans to build 4.5 million square feet additional Grade A+ warehouse facility across India.



Bryan

## What are the key emerging trends in the sector?

The demand for warehousing is at an all-time high due to the rise in e-commerce as well as the transition from disorganized warehousing to expertly structured, higher-quality, and better-equipped warehouses. For the next five to six years, this trend is likely to persist. This transition and expansion story is mirrored by road freight. Many institutions, authorized by the Logistics Skill Council, get skilled labourers employed in organizations.



**CV Kumar**  
CEO, CCI Logistics

## What are the key bottlenecks?

The obstacle to the development of storage infrastructure is the length of time required for land conversion and the approvals needed for it. Each state has a different procedure and time frame. The largest problem for the

transportation sector is the skyrocketing fuel prices, followed by the rise in toll, insurance, and other costs.

## Could tell us about some state-level initiatives for infrastructure development?

PM Gati Shakti Master Plan has the potential to transform the entire logistics industry. Recently, a small number of states have developed their own logistics policies with a focus on building infrastructure, particularly for multimodal logistics. This is a positive move that would improve connectivity and cut costs.

## How do you strategize your plans for future growth?

We are focusing on developing into an integrated logistics service provider and bolstering our strategic business unit (SBU) for the same. It does not matter if it is transportation and distribution, 3PL/4PL business, global freight forwarding, or customs clearance. In the next two years, we have plans to build 4.5 million square feet of additional Grade A+ warehouse space across numerous locations. Most facilities are projected to begin ops within the next 12 months as construction on these logistics and industrial parks is moving forward at full speed.

## How do you foresee the future of the Indian logistics industry?

Our focus will be on becoming Atmanirbar. In the next decade, the logistics industry

will expand thanks to Atmanirbhar Bharat initiative and rising domestic demand. Additionally, ground-breaking government programmes like Gati Shakti will shorten transit times and eliminate bottlenecks to ensure seamless, effective logistical operations.

**The primary obstacles to be addressed are the lack of quality warehousing and sufficient staff to meet the demand in tier II and III cities**

**What challenges do you think tier II and III cities will face in addressing customer demands such as fast deliveries and one day deliveries, among others?**

The primary obstacles to be addressed are the lack of quality warehousing and sufficient staff to meet the demand in tier II and III cities.

**What are the risks and the costs in infrastructure projects?**

Infrastructure projects are capital-intensive in nature, and any delay in obtaining approval from any state government can lead to a significant cost and schedule overruns. If the project is not finished on time and under budget, it would be financially impossible.✍







PINKCITY LOGISTICS LIMITED



Let's **MOVE** on  
*together*

*An Integrated Logistics Solution Provider  
with innovative solutions to save time & cost*

**PINKCITY LOGISTICS LIMITED**

**Registered Office:**

V6 04, Ansal Garg Enclave, 122/235,  
Sarojini Nagar, Kanpur-208 012  
Tel: +91-512-2224641/2217001/2216976  
Fax: +91-512-2234911

**Corporate Office:**

216 Chawla Complex, Sector-15,  
CBD Belapur, Navi Mumbai-400 614  
Tel: +91-22-27562739/49, 61400500  
Fax: +91-022-27565396  
Email: [info@pinkcitysilica.com](mailto:info@pinkcitysilica.com)

• Agra • Bhopal • Delhi • Gandhidham • Hazira • Indore • Kanpur • Kolkata  
• Ludhiana • Mumbai • Mundra • Nagpur • Renukoot • Vizag

[www.pinkcitysilica.com](http://www.pinkcitysilica.com)



# Technology focus of 11th IWS show

Eleventh edition of three day long India Warehousing Show (IWS) was held in New Delhi from 19 August. India's biggest logistics event offered an in-person platform for live product demonstrations, innovative technology, and several knowledge-sharing networking sessions.









# Shortage of Grade A warehouses in India

Warehousing Association of India (WAI) was formed to address issues being faced by warehouse operators. **Manu Raj Bhalla**, President, WAI and Director and Global Head, Contract Logistics and Supply Chain at Freight Systems (India) says govt should introduce business-friendly policies to ease establishment and operating of warehouses in India.



Ritika Arora Bhola

## How do you foresee the future of Indian warehousing sector?

The future of Indian warehousing sector is bright. However, there is a huge shortage of grade A warehouses which needs to be developed to meet the growing demand of warehousing in India.

## What are the key growth drivers for the warehousing industry?

The focus on manufacturing and the growth in the retail trade not only in tier I, but also II and III cities will be the key growth drivers for the warehousing and logistics industry for 2022 and beyond. The government is taking steps to improve multimodal connectivity, which will bring efficiency to the supply chains and help reduce logistics costs.

## Grade A asset class warehousing facilities and logistics parks are being developed not only in metro cities but also in tier II and III cities. How would it boost logistics and the country's overall GDP?

Grade A asset class warehousing facilities and logistics parks in tier II and tier III cities in addition to tier I cities will facilitate the movement of goods across the country in an efficient and cost-effective manner and will enable storage of goods closer to markets thus improving the time and cost to serve.



**Manu Raj Bhalla**  
President, WAI and Director and Global Head,  
Contract Logistics and Supply Chain at Freight  
Systems (India)

## What are the factors that led to this shift in tier II and III cities? How would you rate the infrastructure in such cities for developing facilities or business operations?

The shift to tier II and III cities is demand-driven. The consumers in these markets have higher disposable income with industry and service sector industries also moving into these areas where the cost to operate is lower than the metro cities.

## How can the industry utilize tech in a meaningful manner to create business value for clients?

Deployment of technology in warehouse and logistics operations are key to ensure the efficiency and productivity. Transport Management Systems and Warehouse Management Systems help bring real-time visibility while ML and deployment of Robotic Process Automation help improve efficiency and productivity. Artificial Intelligence (AI) tools help predict demand of products in markets to have a higher fulfilment rate.

## How can cargo agents and end-users benefit from the warehouses in remote locations?

Moving goods in bulk closer to the consumption centres bring down the per unit cost as well as time to market.

**The shift to tier II and III cities is demand-driven. The consumers in these markets have higher disposable income with industry**

## Multimodal linkage is the major concern now. This apart, what are the other key issues plaguing the industry?

The government is seized of the challenges pertaining to multimodal connectivity and is taking positive measures to establish the same in key markets and key trade routes

## What are WAI's upcoming plans and projects or events in pipeline?

WAI is working with Department for Promotion of Industry and Internal Trade and with many states to operate warehouses. We have made representations in this regard. They are being examined by the DPIIT and WAI. Soon, a book on warehousing standards will be published. 🐦





## RHENUS GROUP opens warehouses in GGN, BOM



Rhenus Group has expanded its warehousing footprint in India by opening of two new multi-user chemical warehouses in Jamalpur (Gurugram) and Bhiwandi (Mumbai). Rhenus is proud to introduce its own building, Rhenus Tower, located at the centre of the logistics hub in Mumbai-Andheri. The new storage solutions include a heavy-duty selective pallet racking system for customised storage, shelving systems for smaller/spare parts, an automated vertical lean storage system for the safe and optimised storage of products, and temperature-controlled/cold-room storage facilities. The brand-new warehouse in Bhiwandi (Mumbai), opens on 301,000 square feet, with 32,000 pallet positions with a load capacity of 1.1 tonnes per pallet, and houses 20 docks. The upcoming chemical warehouse in Jamalpur is equipped to handle 18,000 pallet positions with a load capacity of 1.1 tonnes per pallet.

## NEW AIR FREIGHT route links Bengaluru, Shenzhen

A new air freight service linking the southern Chinese metropolis of Shenzhen in Guangdong Province and Bengaluru, was recently launched, officials from Shenzhen Ba'olan International Airport said in a statement. Five flights between the two destinations are scheduled to be operated each week. There are three freight routes connecting the airport and India, and the opening of the new route will increase weekly outbound cargo volume from 190 tonnes to 500 tonnes, officials said. Another four cargo routes linking the airport with Hanoi, Doha, Leipzig, New York, and Bengaluru have been launched this year. The number of global and regional destinations with the airport's air cargo services has increased to 34, with 370 cargo flights being operated per week. In the first seven months of 2022, the overseas cargo throughput of the airport.



## TIA gets domestic cargo terminal

The newly developed domestic cargo terminal has commenced operations at the Thiruvananthapuram International Airport. The 600 sq. ft. facility has the capacity to handle 3,500 MT per year. The 24x7 terminal is poised to boost cargo trade from TIA. The facility provides end-to-end cargo services encompassing cityside handling, security functions, and airside handling to ensure safety of the cargo. Besides adding incremental cargo handling capacity to the airport's cargo infra, the facility will provide an additional choice of services for the trade at the airport. The infra of the new facility is likely to improve the service levels of cargo handling at the domestic terminal.



## DABOK AIRPORT may soon get new air cargo complex



An air cargo complex is likely to be constructed for import of commodities, including handicrafts, minerals, and export of fruits and vegetables at Dabok Airport in Udaipur. Rajiv Arora, Chairman, Rajasthan Small Industries Corporation, said the possibilities of import of handicrafts, building stones, minerals from Udaipur, and export of fruits and vegetables and supplies from local industry were explored for the new air cargo complex.

## FIEO, SHYPMAX ally to assist cross border exports

Federation of Indian Export Organizations' (FIEO) and Shypmax have partnered to support micro, S&M exporters in India to showcase their products on the latter's Indian Business Portal. Under this pact, the provider of logistics and transportation solutions will offer 15 per cent discount on routing service tariffs for express cross-border shipments to FIEO members and SMEs registered on the IBP. Dr. Ajay Sahai, DG and CEO, FIEO, said the progress of e-commerce requires seamless supply chains that act as the building blocks for digital selling.



# MOVEMENTS

## V-TRANS (INDIA) LTD INDIA

**Mahendra Shah**, MD, V-Trans (India) Ltd has been elevated to CMD of the group. A logistics veteran with 47 years of experience in the business, he has been instrumental in shaping the organisation to its present scale and size. This enhanced role will add to his enthusiasm and zeal. Continuing the legacy, he will lead the long-term planning, business & expansion strategy, policy making, providing direction to the board, and ensuring long-term objectives and priorities are taken forward.



## CENSA, WAYCOOL INDIA

**Avinash Kasinathan** has joined Censa, the latest creation from the house of WayCool Foods as its CEO. In this role, he will lead the SaaS and other technology service business lines derived from Censa's unified comprehensive food tech platform. Starting as the Chief Strategy & Technology Officer of WayCool in 2018, Kasinathan has played a key role over the years in conceiving, conceptualising, and building the Censa platform as the most comprehensive tech stack in the food economy.



## DRONAMICS BULGARIA

**Blanca Garcia** has joined Dronamics to its executive committee as chief communications officer. Garcia has 25 years' of experience working in consumer-facing and B2B global firms in automotive, aviation, technology, financial services, pharma, hospitality, and FMCG sectors. "Her communications skill set will play a key role in the firm's growth as we accelerate the industry with our innovative unmanned aircraft and first international drone delivery network," said founder and chief executive Svilen Rangelov.



## HERMES LOGISTICS TECHNOLOGIES (HLT) UNITED KINGDOM

**Terry McGregor** has joined as Senior Product Manager at Hermes Logistics Technologies (HLT) to strengthen the company's technical expertise at the senior level. Heading up HLT's international team of cargo and product experts in the UK and India, McGregor will lead operations with existing and prospective customers, as well as spearheading the development of an innovative suite of products to further digitalise and streamline air cargo management operations.

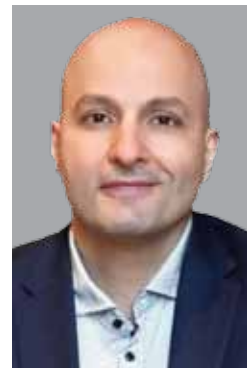
## PEGASUS AIRLINES REPUBLIC OF TÜRKİYE

**Ahmet Bağdat** has been appointed Director of Marketing and e-commerce by Pegasus Airlines. He will be responsible for brand management, e-commerce and digital channel management, data analytics among others. Bağdat began his career as an MT at Demirbank/HSBC Bank in 2000. He held worked in Alarko Tourism Group, Turkish Airlines, HSBC Bank and Türk Telekom. In 2017, he joined Pegasus Airlines as Head of Product Marketing and Ancillary Services and was Group Head, Digital Channel Management.



## BOLLORÉ LOGISTICS USA

**Marc Sawaya** has joined as the CEO of Bolloré Logistics, USA. He will report directly to Yves Laforge, CEO of Bolloré Logistics for the Americas. Sawaya has knowledge of the company's global network, where he held the positions of Regional Director for Central Region, Canada and Sales Director for the Americas. He has contributed to the sales development of Bolloré Logistics in the Americas by relying on its main verticals such as aerospace and pharma, and luxury.



## TT CLUB DUBAI

**EeLain Ong** has taken over as CFO of international freight transport and logistics insurer TT Club. A well-established specialist mutual insurer, Ong's challenges will be to achieve business plan profit targets via operational efficiencies focussed on simplifying and automating processes along the insurance value chain. Over a career spanning 27 years, she held various positions in finance, treasury and tax at re/insurance companies, captives, mutuals, start-ups and Lloyd's syndicates, and across multiple jurisdictions globally.



## FIRST PRIMUS GROUP NIGERIA

**Vikas Parihar** has joined as the Chief Digital Officer at the group level at First Primus Group, the WPP Partner agency in Nigeria. Parihar, in his new role, will drive digital transformation and business for the group, partnering with individual agency MDs and country managers, implementing global digital practices, providing leadership for digital integration, and paving the digital roadway for the group. With an experience spanning over 16 years, Parihar has led digital business and marketing for many big companies worldwide.





# A Leading 3PL Warehousing & Logistics Company

## Services



**1** Tech enabled Inventory Management.

**2** Pick, Pack and all value adds.



**3** Manage Box In Box Out / Pallet In Pallet Out.

**4** Manage e-commerce operations.



## Facilities



**1** Ambient / Temperature control.

**2** Bonded / FTWZ facility.



# Jeena

Estd 1900  
Delivering Service Excellence

# TOMORROW'S LIFE CYCLE SERVICES ONLY A SMART CHOICE AWAY!



BOLDITALIC/SEW/LCS/21

Right from customised designing to commissioning to online and offline monitoring; all you need is to make a smart choice. Powered by leading edge technology combined with unrivalled expertise, SEW's comprehensive Life Cycle Services offer services and solutions throughout the entire life cycle of the systems delivered by us or equipment using our products. Get in touch with our comprehensive network of service centres and service engineers across 33 locations in India, and drive in SEW LCS to ensure a hassle-free tomorrow.

#### Range of Services:

On- & off-line condition monitoring  
Health check-ups | Maintenance training | Repair services  
Spares management advice | Upgradation and retrofit



+91 96866 24322

Email: [marketing@seweurodriveindia.com](mailto:marketing@seweurodriveindia.com)  
[www.seweurodriveindia.com](http://www.seweurodriveindia.com)

**SEW**  
**EURODRIVE**

Driving the world