IATA
GLOBAL
MEDIA DAY

Cargo Update

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Agenda

- Industry priorities
  - Digitalization
  - Sustainability
  - Safety & Security
- Value of Air Cargo
What are the industry priorities?

- Pushing to move from the legacy messaging standard that is 50 years old to a data-sharing approach based on web APIs, which is a huge transformation journey for the industry.
- As success story you could mention the different pilot projects that are on going as well as the outcome of the different hackathons we have done so far.
**General Air Cargo Market**

<table>
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<tr>
<th>Challenges are mounting</th>
<th>Positive developments</th>
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<td>▪ The war in Ukraine has grounded some key players and disrupted supply chains</td>
<td>▪ E-commerce continues to grow</td>
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<td>▪ Economic volatility has brought inflation, a weaker trading environment, shifting currency rates and slower GDP growth</td>
<td>▪ Shorter delivery times</td>
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<td>▪ Concerns on how China’s supply chain is developing</td>
<td>▪ The strong rebound of passenger traffic brings more belly capacity for cargo</td>
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<td>▪ And high-value specialized cargo, such as pharma products, are proving resistant to economic ups- and-downs</td>
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- The air cargo industry is in a better place than it was in 2019 – we had an exceptional period during the pandemic financially stronger, more efficient with advances in digitalization, and better appreciated for the heroic efforts that we all made to keep cargo going during a very difficult crisis.

- And the challenges and opportunities that we face are those that we are used to dealing with.
Digitalization

Government support is essential to ensure harmonized implementation.

- PLACI is an additional (not indispensable) layer of security, very complex to implement. Governments should not underestimate this complexity.
- We are currently supporting all implementing countries, as we have now unique expertise, specific tools (manuals, platform/EPIC, training) and strong contacts (ICAO/WCO, industry)
- There is still a lot to do to make sure these PLACI programs achieve their objective of increased security without impacting air cargo flow.

Government must work more closely together if they intend to deploy a PLACI program
Air cargo sustainability

Air cargo is a key driver toward the achievement of the United Nations Agenda 2030 Sustainable Development Goals (SDGs)

**Our priorities:**

- Contribute to achieving the air cargo industry net zero commitments by 2050
- Reduce the utilization of single-use plastics (SUP) in air cargo
- Cut perishable loss in air cargo operations
- Advocate for sustainable and efficient air cargo facilities
- Attract, develop, and retain young talent within the air cargo industry through the Future Air Cargo Executives (FACE) program

Air cargo directly contributes to achieving the targets of **seven** of the goals
Keeping the global supply chains moving

Air cargo is the preferred transport mode for time & temperature-sensitive goods.

- **12%** of perishables are fruit and vegetables
- **27%** of dangerous goods transported are lithium batteries
- **13B** doses of COVID-19 vaccines administered

Air Cargo provides vital connectivity between producers and markets, which enables millions of people to access fresh food and supports global health and well-being, particularly in landlocked and least-developed countries.

Special cargo represents ~58% of the overall cargo revenue.

Source: CargoIS CDD
New guidance and recommendations

The safe and timely delivery of perishable goods is a priority in air cargo transportation. Identifies 3 common causes of loss - damage, delays, and transit processes. Offer strategies and best practices essential to mitigating loss.

Recognizes that there is an urgent need to invest in people, promote diversity, equity, and inclusion, and engage young talent. Identifies 5 areas for the industry to focus on:
- Purpose
- L&D
- Benefits
- D, E&I
- Connection & Community
Air cargo plays an essential role whenever roads become unpassable due to insecurity, floods, or earthquake damage; whenever distances are too long; whenever there are no other means of transport for humanitarians to reach people in need safely and on time,

In 2023, the UN World Food Program estimated that 362 people are in need in humanitarian assistance globally. This is a record high, with basically one in 22 people in the globe requiring assistance.

While there is no comprehensive tabulation of the support that aviation provided, a limited review of 29 key carriers serving the Türkiye market reveals an impressive relief effort. These airlines:

• Delivered over 3,500 tons of aid from over 90 countries
• Operated over 350 relief and repatriation flights to affected areas
• Provided transport for over 130,000 responders from across the world
Cargo Safety & Security

**Lithium Batteries**
Continued risk management
Reduced state of charge
New designation for vehicles

From 2025 with a transitional period

**Supply Chain Safety**
State oversight of the supply chain

From 2025 with a transitional period

**Fire Resistant Containers**
A draft standard to address lithium battery fires.
Thank you
www.iata.org/cargo
Questions?

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