Giving Bali TFA Wings
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George Anjaparidze, Senior Economist
www.iata.org/economics

To represent, lead and serve the airline industry
In one year...

3.3 billion Passengers

16,485 Unique city pairs

3.4% of global GDP supported

58.1 million Jobs supported

Source: ATAG, IATA.

IATA Economics  www.iata.org/economics
## Aviation: connectivity

*Connectivity brings wider economic impacts*

| Broadens the available market | • Higher revenues  
• Higher potential returns from investment |
| --- | --- |
| Facilitates efficiency improvements | • Access to a wider base of suppliers  
• Access to new production techniques |
| Fosters greater competitiveness | • Increases inward and outward investment  
• Ability to exploit economies of scale |
Air Cargo a key part of world trade

Source: The Colography Group, IATA, WTO.

Source: www.iata.org/economics
Efficient borders increasingly important

Source: UNCTAD

IATA Economics  www.iata.org/economics
Essential for integrating into Global Value Chains

Dell’s global supply chain, made possible by air transport

1. Ram chips and CD-ROM drives from Japan
2. Power supplies from China
3. Monitors and cooling fans from Taiwan
4. Video cards and microprocessors from Hong Kong
5. SCSI cards and disk devices from Singapore
6. Sound cards from France
7. Keyboards from Mexico

Source: ATAG
Today’s air cargo processes are not optimal and have not improved in 30 years

Estimated average end-to-end (shipper to consignee) air cargo transportation time in 2013: ~ 6 days

Effective time in the air: from a few hours up to 20 hours.

“Ninety per cent of the transit time for air cargo is spent not moving, but waiting to move!“

(Air Cargo News 11.03.2013)
Several points in the chain where there may be room for improvement

- **Ready for carriage till loaded on aircraft**: 1 – 1.5 days
- **From aircraft receipt till delivery at warehouse**: 0.5 – 1 day
- **Waiting for pick up at warehouse**: 1.5 – 3 days
Bali TFA addresses many of the challenges

- Encourage international standards
- Application of risk management
- Expedited clearance
- Securing the supply chain
- Automation
E-freight, Secure Freight and Advance Cargo Info

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e-freight
SIMPLE > ELECTRONIC > PAPER FREE

Secure Freight

Advance Cargo Information
Implementing the Bali TFA can boost trade by air by up to 4.6%

Source: OECD (June 2015)