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December 2022

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**BOOSTING
MECHANICS**
OF AIR CARGO, E-COMMERCE



**ARE DRONES VIABLE
MEANS TO FERRY CARGO?**



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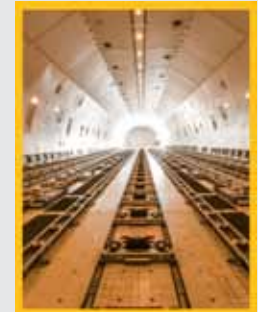
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ARE DRONES VIABLE MEANS TO FERRY CARGO?

There is an appetite in industry to develop and utilize drone technology that can deliver cargo. Can sophisticated drones overtake freighters to transport air cargo? Have no pilot or crew on board, drones can make deliveries faster, limiting quite a few overheads. Experts deliberate.

T Abigail Mathias

The demand for drones has continued to increase even during COVID. There are more than

70,000 active major construction projects in the Middle East countries, such as the United Arab Emirates, Saudi Arabia, Turkey, Israel, and Egypt. The demand for drones

in the construction sector for applications, such as 2D and 3D modeling and mapping, land surveying, progress monitoring, waste reduction, and job site surveillance, is in-



creasing and is, thus, propelling the market growth in the Middle Eastern region.

According to the Mordor Intelligence report, the demand and implementation of drones has increased in various regions for applications, such as postal delivery and agriculture, particularly in Africa. The agriculture sector in the continent is witnessing the highest demand for drones for soil scanning (nitrogen content monitoring, electrical conductivity monitoring), crop monitoring, pesticide spraying, pest, weed, and disease detection, fish population monitoring and other technical aspects. But can drones take over the task of air cargo transportation?

Technological advancements such as hybrid propulsion in Vertical Take-off and Land-

ing (VTOL) drones, which increases the loitering time, Augmented Reality (AR) technology for 2D and 3D Mapping, and Artificial Intelligence (AI) in crowd controlling, have propelled the growth of the drones' market in countries, such as Israel and South Africa.

Having no pilot, crew or passengers on board, a drone offers users a chance to make deliveries swiftly and limiting quite a few overheads. Drone manufacturers are launching new drones to attract customers in the Middle East. For instance, in August 2022, the dealer of DJI Enterprise in the Middle East—the Drone Centre officially announced the launch of two DJI Enterprise solutions in the region—the DJI M30 Series and DJI Zenmuse H20N. The drone market in the Middle East has huge growth opportunities in the coming years and will experience increased competition among manufacturers to tap into this market.

In February 2022, UVL Robotics launched the first delivery drone in the Middle East service of day-to-day parcel delivery based on drones. The payload of flying couriers is 6.6 pounds. Delivery drones can cover more than 25 miles. As of December 2021, Morocco and Israel were preparing to build two factories for unmanned aircraft in the North Africa state's Al-Aoula region.

Martin Drew, Senior Vice President Global Sales & Cargo, Etihad Aviation Group, says, "Drones have become somewhat of a hot topic in recent years, with several companies announcing the development and



Martin Drew
Senior Vice President, Global Sales & Cargo, Etihad Aviation Group



Shankar Subramoniam
Executive Director, National Association of Freight and Logistics (NAFL)

Drones have become a hot topic recently, with many firms developing and conducting trials of autonomous drones

trials of autonomous drones capable of transporting cargo. The benefits of smaller, more nimble aircraft capable of carrying loads include making it easier to transport cargo to small, remote areas. However, despite the anticipated benefits, drones are not commonly used by air cargo carriers, with the new technology remaining largely untested."

Drones are being used for warehouse ops shuttling goods between distribution centers and last-mile delivery



“We do not foresee a time when drones will replace cargo aircraft completely. Drones do not have the capacity to transport large volumes of cargo on a single aircraft, making economies of scale challenging to achieve. Also, we anticipate significant barriers to entry for larger capacity unmanned aircraft as the ecosystem for the secure handling and air traffic management for crewless flights does not currently exist.

That said, there is an appetite in the industry to develop and utilise drone technology that can deliver cargo. In addition to offering quicker access to remote parts of the world, drones will potentially increase the speed at which customers can receive goods. Drones offer great potential in the delivery of lifesaving medicines and vaccines, which currently depend on road feeder services for last-mile delivery. These benefits have placed drones firmly on the radar of many sec-

tors, including e-commerce, healthcare, and engineering.

However, we still have a long way to go before drones offer a viable alternative to traditional cargo-carrying aircraft. There are still hurdles in terms of regulatory acceptance. To date, drones also face capacity limitations, since they are unable to carry large volumes. Market perception is also a challenge, with end-users unwilling to entrust their high-value and sensitive commodities to unmanned aircraft.”

Shankar Subramoniam, Executive Director, National Association of Freight and Logistics (NAFL) said, “The drone has lot of potential in logistics such as ship chandelling supply, oil field offshore supply, monitoring, surveillance, security controls, tourism, and healthcare support. Increasingly, they are being used for warehouse operations (inventory management and searching for lost goods), shuttling goods between distribution



centers and last-mile delivery, often an expensive part of a trip.”

Mohamed Shawky, Co-Founder and CEO, GIS Drones explained, “For small objects such as deliveries from Amazon and medical supplies, drones are already helping in this field but before they can be mass-produced and introduced as a solution, we need to overcome some challenges. One of these is better AI technology for autonomous control. To conclude, drones can only be a viable solution for short distances and extremely quick delivery of small goods.” His company was established in 2020 and aims to become the foremost drone services provider in the UAE and the Middle East, focused on Drone-Powered Solutions delivery.

Although his business is in developing drone technology, he believed, “Drones cannot replace large-scale cargo operations that carry a huge load or cargo over long distances, but for short-range

IN SHORT

■ Drones will increase the speed at which customers can receive goods.

■ Also, drones guarantee in delivery of lifesaving drugs and vaccines.





and small deliveries, they are a faster and cheaper alternative. But for them to be a good and viable solution we need to work on perfecting a few steps before releasing them to the market.”

“Right now, drones are limited by their range, weight-lifting capacity, and multitasking. To increase their range and weight capacity, there are needs to be innovative breakthroughs in new energy-dense batteries that can deliver more power or last longer, whichever is needed. And currently, drones are being manufactured keeping a specific task in mind. If it is a surveying drone, it will have better cameras. If it is needed for thermal analysis, it will have better thermal sensors but normal visual cameras. If it is needed for FPV analysis of tricky locations, it will be small and portable with a normal sensor payload. The innovative thing would be to come up with multipurpose drones that can handle any task with a slight change of sensor payload. And some examples of these are already

available on the market but they can still be improved,” he said.

One thing unique about the drones being used in the UAE region is the FPV drones’ niche. First-person drones that allow beyond visual sight drone operations are not fully legal in other regions of the world.

But they are being tested in specific regions in the UAE and will be licensable and legally approved for drone operations during projects. That is one thing unique about the implementation of drones in this region.

Pradeep Luthria, CISM, Senior Partner and Chief Practitioner, Saiber Innovation Technologies said, “With the development of diesel drones such as the ‘Flyox’ that can carry cargo in tons, it is certainly possible for drones to reduce the dependence on aircraft. However, due to the limited range and varying capacity of small drones, they may not entirely take over air crafts when it comes to cargo



Mohamed Shawky
Co-Founder & CEO
GIS Drones



Simon Johnson
Aerospace Industry expert
Innovaud

Drones cannot replace large-scale cargo ops, they are faster option for short-range and small deliveries

transportation. Drones will potentially become popular for deliveries of small packages and small-load last-mile deliveries.”

AUTONOMOUS DRONES

“We believe that autonomous drones show real potential and will have a place in the future of air cargo. Etihad Cargo is exploring the utilisation of drones in collaboration with DRONAMICS, which is developing a long-range, remotely piloted, and fuel-efficient cargo aircraft capable of transporting 350 kg over 2,500 km. The transportation costs will be 50 per cent lower than traditional aircraft. The airplane will fly autonomously and can be monitored and managed remotely via satellite,” added Drew.

Simon Johnson, Aerospace Industry expert, Innovaud

Drones are cheaper to operate, quieter and emit less carbon than traditional air cargo

IN A NUTSHELL

- The drones are re-limited by their range, weight-lifting capacity, and multitasking.
- One thing about the drones is they are being used in UAE is the FPV drones’ niche.



Pradeep Luthria
*CISM, Senior Partner and
 Chief Practitioner, Saiber Innovation
 Technologies*

Drones will potentially become popular for deliveries of small packages and small-load last-mile deliveries



Dina Awad
*Freight Forwarder Manager
 Milaha, Qatar Navigation*

Drones are already being used in warfare. So, we should see more adoption of drones across other sectors

recently made an interesting presentation at the Abu Dhabi Aix Expo. Innovaud is a Swiss based company that has a long history of supporting innovation by startups, scale-ups, SMEs, and large-tech companies.

Discussing some of the drone innovations, Johnson further explained, “Long-range Beyond Visual Line of Sight (BVLOS) authorizations and over time full certification are equivalent to manned aviation and with full airspace integration. Swiss Dufour Aerospace is also working on a drone cargo version of their tilt-wing hybrid electric aircraft.” The aerospace expert believed drones cannot take over cargo operations, “In cases such as delivering medical samples to remote location, can drones come into use. Belly and volume cargo on busy (long distance)

routes will be handled by manned aviation for a few more years. Drones are becoming cheaper to operate, quieter and emit less carbon than traditional air cargo. They will also land or air-drop cargo in locations not reachable by manned aviation”, he added.

Luthria said, “As drones become increasingly in demand for small-load, last-mile delivery operations, the landscape of cargo transportation is bound to change. The agility and flexibility that drones bring to the T&L industry, along with the reduction in cost required for civil works, such as the need for long and properly paved runways, will allow produce to be transported with greater convenience and tighter adherence to time-bound norms.

Elaborating on some of the features that drones have, Johnson said, “Autonomous operations in case of temporary loss of communication link or positioning or navigation or surveillance systems (mission hold procedure). A parachute in case of a major failure (mission abort procedure).”

Oman Air Country Manager Shahzad Naqvi said, “Oman Air Cargo is always keen to explore and invest in new technologies that make logistics more efficient, cost-effective, and sustainable. While there is a lot of momentum building on drone technologies, I do not think they will reach the point where they can replace traditional air cargo soon. Their capacity to carry large volumes and ability to go long distances, not to mention the supporting infrastructure and regulatory

frameworks, are still a long way off.”

Dina Awad, Freight Forwarder Manager, Milaha, Qatar Navigation affirmed, “I believe that some companies have already started testing drones and a lot of countries have started allowing for cargo trials, while some more countries have their security concerns. Most businesses are using them, either for marketing or operations trials.”

“Some of the key features that drones bring to the table, besides removing the need for proper runways, is their ability to bring pinpoint accuracy with real-time track and trace on the status of operation. Drones utilizing low altitudes are increasingly being used in areas such as warehouses and in defined campuses. The personalized approach to drone delivery is something that has lot of potential going forward. Drones are already being used in warfare. So, we should see more adoption of drones across other sectors,” said Luthria.

Awad said, “Efficiency and speed helps in reducing the carbon emission, and most countries mission by 2050 is to reduce emissions. With technology evolving at break-neck pace and regulators looking at drones as an alternative to accessing remote airports and regions and supporting the delivery of sensitive commodities in smaller quantities, drones may, in time, occupy a niche market in air cargo. We could see drones replacing road feeder services on short-haul routes, carrying smaller weights,” concluded Drew. 🤖

IN A NUTSHELL

- The drones cannot reach a point where they can replace traditional air cargo.
- Belly and volume cargo on busy routes will be handled by manned aviation for a few more years.

Air cargo may **double** in next 20 years: Boeing

Boeing has forecasted strong demand for air cargo services through 2041, with traffic doubling and the world's freighter fleet expanding by more than 60%. Do experts in the air cargo industry comprehend this?

 Abigail Mathias

Boeing recently released details from its 2022 World Air Cargo Forecast (WACF), a biennial detailed analysis of evolving industry dynamics. The 2022 WACF projects the world's cargo fleet will require 2,800 production and converted freighters for growth and replacement through 2041.

With cargo traffic doubling over the forecast period, operators will need to switch to more capable, fuel-efficient, and sustainable jets such as the 777-8 Freighter to meet demand, according to the Boeing forecast.

A third of deliveries will consist of new production freighters, while the remaining two-thirds will be freighter conversions such as the 737-800 Boeing Converted Freighters (BCFs), providing carriers with increased flexibility in existing and emerging markets.

"While the air cargo market is returning to a more normal pace after historic demand in the past two years, structural factors, including express network growth, are evolving supply chain strategies and new cargo-market entrants are driving sustained freighter demand," said Darren Hulst, Vice President, Commercial Marketing, Boeing.

While dedicated freighters are 8 per cent of the total commercial airplane fleet, they continue to carry more than half of all air cargo, with pas-

senger airplanes carrying the remainder as belly cargo. The global freighter fleet will grow by more than 1,300 airplanes to more than 3,600 jets over the next two decades, he said.

Glyn Hughes, Director General, The International Air Cargo Association (TIACA) explained, "The long term forecast for air cargo continues to look very promising based on the expanding global economy, the increased reliance on complex, safe and secure supply chains and the ongoing need for transparent and timely transport. The recently updated Boeing forecast clearly articulates the expected aircraft capacity needs based on market expansion, equipment profile and retirement expectations. However, there is another aspect of capacity, which has equal importance, that is capacity on the ground. Over the past two years, the importance of airport and ground handling capabilities has become critical to support growing air cargo demand. Over

With cargo traffic doubling over the forecast period, operators will need to switch to more capable, fuel-efficient, and sustainable jets





Darren Hulst
Vice President
Commercial Marketing, Boeing

The international freighter fleet will grow by more than 1,300 airplanes to more than 3,600 jets over the next two decades



Glyn Hughes
Director General, The International Air Cargo Association (TIACA)

The long term forecast for global air cargo continues to look very promising based on the expanding global economy

the next 20 years, the growth projections will require significant air cargo facility and capability investment in most of the key air cargo hubs. New multi-skilled facilities will need to be more automated with advanced technology infrastructure than we have seen up to now. Efficiency and optimization will be key to process cargo through the facility and into the economy where it can derive its intended value.”

Kuwait-based United Legacy Travels, Operations Manager, Simona Bakaya is optimistic. “Airports should be able to cope with additional manpower. Fair and balanced remuneration is also key. Another aspect of due importance is friendly airline personnel on the ground and in the air.”

She added, “Air cargo, should be more flexible and easier and most importantly

comfortable to facilitate travel with pets.”

Maniez Fernandes, Sales Manager of a travel company said, “Air cargo demand has recovered and has increased in comparison to pre-pandemic levels, though capacity remains strained. Container shortage has seriously hampered the global supply chain, resulting in major air cargo uplift. Most major airports are equipped to handle an increase in air cargo demand due to separate facilities in place for such a scenario.”

“Sustainability is about applying policies, practices, and solutions, which address people, planet and global prosperity needs, concerns and expectations. It is about creating a diverse and inclusive workforce, a culture of adaptive and creative thinking, addressing energy, waste, and consumption in a responsible fashion, supporting local and global communities, establishing

new trade lanes, and enabling countries to grow and prosper,” said Hughes.

With these aspirations how is air cargo doing in 2022?

“I think the amount of positive investment and new solutions is commendable. New solutions now exist for single use plastic, which move from non-recyclable to biodegradable. It is one example. Investment in smart facilities, renewable energy sources, such as airports using their real estate to support solar farms, is becoming more commonplace. Ground support equipment is increasingly becoming more electric, even investment in future electrification of aircraft is increasing. The industry has committed to a net zero target by 2050 and is increasing the usage of sustainable aviation fuel (SAF) to achieve that target. Industry analysts expect SAF to account for about 65 per cent of total fuel burn by 2050, so much more investment by industry and gov-



IN A NUTSHELL

- While freighters are 8% of the total airplane fleet, they continue to carry more than half of all air cargo.
- ICAO said proposals were set in place for improvement to cope with this overload.

ernments will be required. These are just a few of the many solutions currently being deployed. TIACA has also introduced a new program called BlueSky, which is the industry's first independently verified sustainability assessment program where we support the industry by providing an assessment of where a company stands on the broad topic of sustainability compared to industry best practices," suggested Hughes.

Jason T. Siy, Vice President, Cargo Business, Philippine Airlines said, "For 2023, Philippine Airlines is positioned to fly from Manila to 27 destinations around the Philippines, with an additional 20 inter-island options. He informed that there are plans of building new airports in Sangley, Cavite and Bulacan Airport, aside from the current Clark Airport in Pampanga for Metro Manila, and offer online services to 16 countries, having connections to 44 different

cities globally to export cargo from Manila and serve as Hub connecting cargo from Asia to North America, Australia, and Middle East vice versa."

There are plans to expand and modernize its warehouse facility, including automation of some equipment to make operations seamless and explore multi-modal transport from sea-land-air.

Philomina Vivek, Supervisor, Ticketing and Tours Accounts, said, "Creating a lucrative airport business with improved operations will benefit travelers, airlines, and employees alike. Updating technological and analog systems to keep up with evolving trends is one of the best ways for airport managers to grow their businesses with a focus on customer service and efficiency."

Like every mode of transport, air cargo comes with its advantages and disadvantages. "It is by far the fastest mode of



Simona Bakaya
Operations Manager
United Legacy Travels



Maniez Fernandes
Sales Manager of a travel company

The airports should be able to cope with additional manpower. Fair and balanced remuneration is also key

Air cargo demand has recovered and has risen in comparison to pre-pandemic levels, though capacity remains strained

transport, reliable departure and arrival information can be provided, destinations across the world can be reached and a high level of security is maintained, making it useful for transporting urgent, perishable, live, and pharmaceutical goods. But due to its high costs and limited capacity, it is not always the best option."

"Strategic planning typically occurs months or even years in advance, tactical adjustments on a daily basis up to a few hours before operations, and real-time interventions immediately," suggested Vivek.

Lionel DeSilva, Quality Control Manager, Quality Assurance, Hangzhou Zaopin ST Co Ltd., said, "International Civil Aviation Organization (ICAO) stated that many proposals have been set in place for improvement to cope with this overload. To



IN SHORT

- Strategic planning typically occurs months or even years in advance.
- The amount of positive investment and new solutions is commendable.



Jason T. Siy
Vice President
Cargo Business, Philippine Airlines

The Philippine Airlines is positioned to fly from Manila to about 27 destinations around the country in 2023



Philomina Vivek
Supervisor
Ticketing and Tours Accounts

Updating technological and analog systems to keep up with evolving trends is one of the best ways to grow businesses

respond positively, current air traffic management strategies and equipment must be modernized. Efforts and adaptation are required from all air service providers to meet market needs in a context of increasing traffic.”

There are many reasons for the increase in air traffic. The main cause is economic and demographic growth: the growing middle-class is stimulating airline activity. With global economic growth by 2035, air traffic is expected to grow by an average of 6 per cent per year over the same period. The second development factor is the emergence of low-cost airlines offering competitive prices on popular destinations. They contribute to a high level of air traffic intensification in Europe. These companies also have a significant impact on the

prices of global airlines by stimulating the latter to reduce ticket prices.

The current air traffic management sector needs to continue efforts to support this increase. The increase in air traffic requires the recruitment of new pilots: ICAO forecasts 620,000 new pilots will have to be trained over the next 10 years. Today, existing pilot training programs do not meet this objective and require long periods to be operational. Similarly on the ground, airport infrastructure needs to be adapted to support this increase.

He added, “Air cargo is a critically important industry. This pandemic reminded us of that. During the crisis, it has been a lifeline for society, delivering critical medical supplies and vaccines across the globe and keeping international supply chains open. And for many airlines, cargo became a vital source of revenue when passenger flights were grounded. In 2020, the air cargo industry generated US\$ 129 billion, which represented approximately a third of airlines’ overall revenues, an increase of 10–15 per cent compared to pre-crisis levels. Looking towards the future, the out-



Indeed, most airports are too small to support the overall airline activity.

To be prepared for the future, the air traffic management community must, at its level, modernize its tools to meet this growth. One of the most important challenges is to address environmental issues more effectively with the aim of providing long-term solutions.

look is strong. IATA needs to maintain the momentum established during the crisis and continue building resilience after pandemic cases reduced.

The outlook for air cargo in the short and long-term is strong. Indicators such as inventory levels and manufacturing output are favorable. World trade is forecast to grow at 9.5 per cent this year and 5.6 per

FACTFILE

- With global economic growth by 2035, air traffic is may grow by 6% per year.
- The second factor is the emergence of low-cost airlines offering competitive prices to various destinations.

cent in 2022, e-commerce continues to grow at a double-digit rate, and demand for high-value specialized cargo – such as temperature-sensitive healthcare goods and vaccines—is rising.”

“The surge in demand for air cargo and attractive yields are not without complications. Pandemic restrictions have led to severe global supply-chain congestion and created hardships for aircrew crossing international borders. Resourcing and capacity, handling and facility space and logistics will be an issue. This will create further operational challenges

ing for carbon-neutral transportation options. Industry all need to meet customer expectations for the highest standards of sustainability.”

The strategy is to abate as much CO2 as possible from in-sector solutions such as sustainable aviation fuels, new aircraft technology, more efficient operations and infrastructure, and the development of new zero-emissions energy sources such as electric and hydrogen power. Any emissions that cannot be eliminated at source will be eliminated through out-of-sector options

The biggest growth areas are in cross-border e-commerce and special handling items such as time and temperature sensitive payloads. Customers for these products want to know where their items are, and in what condition, at any time during their transport. That requires The industry sees several new players—traditional shipping lines such as Maersk moving to the air cargo industry. Competition is always good for the industry, which will get the operators to continually improve the service patterns.

Saurabh Bhalla, Managing Director, Air and Sea Logistics affirmed, “The growth of e-commerce is adding to the rise of volume of goods, which are suitable for air cargo. As the demand for air traffic increases, the carriers are getting aggressive to retain market share, which allows for the air freight rates getting more affordable and more commodities are getting suitable for air traffic. The handling systems at the airports are improving, which allows for a better handling of freight at the terminals and a faster turnaround. Many stakeholders have taken to improve the infrastructure to ensure a smoother transition of goods.”

Your thoughts on the growing traffic for air cargo. How will airports be able to cope with the added traffic?

Tim Isik, Vice President, Commercial, Etihad Cargo: For airports to meet the challenge of increasing air traffic, it will be essential that their infrastructure is certified and able to handle higher volumes of cargo. Etihad Cargo, in conjunction with its hub at Abu Dhabi International Airport, has achieved IATA CEIV Pharma and Fresh certi-

for the industry that must be planned for now.

SUSTAINABILITY

“Sustainability is the industry’s license to grow. Shippers are becoming more environmentally conscious and are being held accountable for their emissions by their customers. Many are now reporting how much their supply chains produce in emissions, and they are look-

such as carbon capture and storage and credible offsetting schemes.

The pandemic accelerated digitalization in some areas as contactless processes were introduced to reduce the risk from virus transmission. The industry needs to build on this momentum not only to drive improvements in operational efficiency but to meet the needs of our customers.



Lionel DeSilva
Quality Control Manager, Quality Assurance, Hangzhou Zaopin ST Co Ltd.,

Efforts are required from all air service providers to meet market needs in a context of increasing air cargo traffic



IN A NUTSHELL

- To meet challenges of air traffic, it is a must their infra is certified and able to handle higher volumes.
- As demand for air traffic increases, the carriers are retaining their market share.



Saurabh Bhalla
Managing Director
Air and Sea Logistics

The growth of e-commerce is adding to the increase in volume of goods, which are suitable for air cargo



fication for this reason. Being IATA CEIV Pharma and Fresh certified demonstrates Etihad Cargo's and Abu Dhabi International Airport's compliance with specific regulations, including IATA Temperature Control Regulations (TCR), Good Distribution Practices (GDP) and Perishable Cargo Regulations (PCR).

How is air cargo adopting sustainable means of transportation of cargo material? Sustainability will be a priority, and the air cargo sector is starting to take some positive steps to catch up to other industries that have been decarbonising more quickly. Etihad Cargo has demonstrated our commitment to sustainability through the launch of several programmes and initiatives:

- **Greenliner program:** We are encouraging companies to invest in SAF through our Greenliner Program. As part of the Etihad Greenliner Program, we launched our first Eco Flight in 2019 and Sustainable Flight in October 2021. On a number of these flights, a blend of up to 40 per cent sustainable fuels is used, so we reduce our carbon emissions as much as possible. This enabled a 70 per cent reduction in primary carbon emissions on those flights. In partnership with Boeing and GE, we are testing new green technologies, including the use of SAF and eco-friendly in-flight products, on our Dreamliner fleet.
- **EcoDemonstrator Program:** The program used commercial aircraft as flying

testbeds to improve the entire aviation ecosystem; from cabins and landing gears to CO2 emissions and noise. Following completion of testing, the "Abu Dhabi for the World" decaled aircraft arrived with the world's highest volume of 50 per cent sustainable aviation fuels, avoiding 60 tons of CO2.

- **Fleet:** As part of our decarbonisation strategy, we have one of the youngest, innovative, and fuel-efficient fleets in the world. On average, the Boeing 787 Dreamliner is 15-25 per cent more efficient than similar aircraft. By 2023, the 787 will make up more than 50 per cent of our fleet. Under our Sustainable50 program, we also introduced the innovative Airbus A350-1000 aircraft to our fleet in 2022. Powered by Rolls Royce WXB, the



A350 is more than 1 kg lighter than any other Airbus aircraft, and 50 per cent quieter. Recently, Etihad announced that it had firmed up its order for seven new generation 350F.

The new freighter promises that it will demonstrate “unbeatable fuel efficiency,” with a 40 per cent lower fuel burn and CO2 emissions than its competitor. The A350F fully meets ICAO’s enhanced CO2 emissions standards coming into effect in 2027.

- Mangrove forest: Etihad Airways, in collaboration with Environment Agency Abu Dhabi, launched the Etihad Mangrove Forest to provide guests, corporate accounts and partners the ability to adopt mangroves in Abu Dhabi to reduce their

carbon footprint. Using a unique digital platform, the Etihad Mangrove Forest allows guests and partners to invest in carbon removal for AED 18.5 (US\$5) per mangrove, where the individual trees are tracked online or through an app.

- Sustainable flight program: Etihad performed the world’s most intensive sustainable flight-testing program, operating 42 flights over a five-day period to test operational efficiencies, technology and procedures that will reduce carbon emissions. The results will contribute to reducing the aviation sector’s carbon emissions and environmental impact as the learnings are implemented into standard airline operations across the industry.

- SAF: We are working with Neste to sign an Airline Collaborations agreement, which will see us working with Neste and their Corporate partners to promote the uptake of SAF. Under this program, Neste contracts directly with a corporate, and we will uplift the SAF on our flights. (In May 2022, Etihad became the first international airline to receive the first delivery of SAF in Japan through ITOCHU and produced by NESTE.



Tim Isik
Vice President
Commercial, Etihad Cargo

The Boeing 787 Dreamliner is 15-25% efficient than similar aircraft. By 2023, the 787 will make up 50% of Etihad’s fleet

What are some of the plans made to cope with new demands on air traffic industry? Etihad Cargo is expanding our freighter fleet to ensure we can continue to meet our customers’ capacity needs across our network. Etihad Airways has firmed up its order with Airbus for seven new-generation A350Fs. The freighters will upgrade Etihad’s capacity by deploying the most efficient cargo aircraft available in the market. Etihad Cargo will be adding more 787s to Etihad fleet, and we are also exploring the addition of adding converted freighters.

We formed interline pacts to facilitate the transportation of life-saving medications to countries where they are most needed. We also signed the first PharmaLife Interline pact, entering into a Service Level Agreement with important African airlines to ensure their compliance with latest GDP and IATA Pharma regulations and standards and provide reliable, airfreight solutions across Africa. This pact positioned Abu Dhabi as a global logistics hub capable of facilitating vaccine distribution to 54 African nations through four online and 27 offline stations. 🇸🇩

IN A NUTSHELL

- On these flights, 40% sustainable fuels is used, so we reduce our carbon emissions.
- Etihad Cargo is getting more freighters to ensure we meet our customers’ capacity.



Boosting mechanics of air cargo, e-commerce

Noor F. H. AlZeer, General Manager, Al Naboodah Logistics, shares insight into impact of e-commerce after COVID outbreak. In an exclusive interview with **CARGO talk**, she delves into mechanics of one of most prestigious logistics companies in United Arab Emirates.

CT Bureau

What are the primary markets in the GCC that you deal with? What percentage of business revolves around air freight logistics?

We cater to all countries in the GCC region. However, our major business is in the Kingdom of Saudi Arabia. We also handle shipments from Gulf Cooperation Council (GCC) countries by road. We are strong in air freight and have a well experienced team. We are prepared to handle verticals under air freight such as aid, relief, oil and gas, automobiles, perishables, and pharmaceuticals. Nearly 30-40 per cent of our business comes from air freight logistics.

How has Al Naboodah Logistics operations grown and evolved since COVID?

Al Naboodah Logistics comes under the Al Naboodah Group, operating in UAE from the past 60 years. We have been in the market since 1984. We cater to full logistic requirements of customers in the UAE and abroad. We offer full-scale logistic solutions and freight forwarding services worldwide.

Our services cover export and import by air and ocean, overland, shipments, project cargo (odd-sized and bigger dimensions), exhibition cargo, DG handling, charter services, AOG and aviation services, relief goods, packing and moving personal effects

and household goods, warehousing, GCC overland (customs bonded) and non-customs bonded trucks, customs clearance, local deliveries, packing, stuffing, re-works, organize survey and authority-related documents.

Our offices are located at Dubai Cargo Village near the Dubai Airport, Dubai World Trade Centre (for exhibitions), and Jebel Ali Free Zone. Our head office is in Al Awir. We have another office in Abu Dhabi and another one that caters to Sharjah and Northern Emirates. We have been offering end-to-end solutions for the past some decades to major exhibitions, including onsite delivery, handling, installation and the like. To

Social media is an efficient tool for firms to communicate with customers, convey information, give industry news

name a few, we are the official onsite handling agent for Gulf Food, Gulf Food Manufacturing, GITEX and Big 5 Show and the like.

The pandemic outbreak disrupted the logistics industry worldwide. The need to remain flexible and adaptable by businesses has been highlighted by the industry. The companies have had to assess their weaknesses, strengths and initiate new policies to meet the challenges. Bringing about changes in their sup-

ply chains, restructuring their workforces, increased automation in their services and warehouse management programs are some of the steps being taken to boost growth in the industry.

created a substantial shift in e-commerce through online shopping. The infrastructure improvements, tech-enabled logistics platforms, and appealing online shopping offers contributed to the growth of both the e-commerce as well as the logistics sectors.

Evolving technology in the logistics industry has increased productivity in the supply chain, minimize costs and errors with benefits in all areas of the logistics industry: truck-



ing transportation, international transportation (air and ocean), supply chain management, and shipment tracking.

Social media platforms are an efficient way for the companies to communicate with the customers, convey useful industry information, and customer responses quickly.

Have you noticed a change in logistics recently? Do you feel technology has evolved. Have more changes come about in technology soon?

The growing e-commerce industry is the driving force in the growth of the logistics industry after COVID cases subsided. UAE is leading the GCC countries in expanding the e-commerce market. The GCC nations have a high spending potential in line with its high-income population and the pandemic has

What are some of the challenges you see with regard to logistics in the region?

The pandemic has affected logistics and supply chain operations worldwide and the United Arab Emirates is not an exception. The changing rules and policies of different countries and states in terms of border controls have disrupted services.

Lockdowns, limited workforces and delays in manufacturing and supply have led to lead time increases and delays in fulfilling orders.

The federal and local governments in the UAE have taken up national development programs, along with the investments in technological infrastructure, to reduce the COVID effects in the logistics sector. The country has an advanced infrastructure in place, which helped it to recover quickly. The government has taken up measures such as trade facilitation reforms, fast customs clearance, and digital transformation initiatives to facilitate ease of doing business (EoDB) in the sector.

Currently, increasing fuel costs is one of the major challenges the industry is facing in the region. Higher fuel prices result in an additional fuel surcharge for customers, increasing the total shipping cost or freight charge of products.

Can you give us examples about some partnerships on air freight logistics when it comes to holding events such as EXPO 2020?

Al Naboodah Group was part of the EXPO 2020, especially our logistics division. We were the logistics provider for the pavilions of few countries at the EXPO 2020. As mentioned earlier, we also handled majority of air shipments for Gulf Food 2022.

What are the upcoming air freight events impacting the cargo business in the UAE?

The upcoming events next year such as IDEX to be organised in Abu Dhabi and the air show in Dubai could see a lot of potential air freight movements to and from the UAE. 🚚



Noor F. H. AlZeer
General Manager
Al Naboodah Logistics


We have been offering end-to-end solutions for the decades to major exhibitions, including onsite delivery, handling among others

IN SHORT

- The e-commerce industry is the driving force in the growth of the logistics industry after COVID cases subsided.
- We were logistics provider for pavilions of few countries at the EXPO 2020.

IATA report shows dip in global air cargo

Demand for international exports remained weak. New export orders continued to shrink on a global level in September, when Germany saw the largest contraction since the pandemic outbreak. Air cargo continues to track near 2019 levels, while volumes remain below performance in 2021.

 CT Bureau



Willie Walsh
Director General
IATA

The International Air Transport Association (IATA) released data for September 2022 global air cargo markets showing that air cargo demand softened.

KEY FACTS

- Global demand, measured in CTBs, fell 10.6 per cent compared to September 2021 (–10.6 per cent also for international operations),

but continued to track at near pre-pandemic levels (–3.6 per cent).

- Capacity was 2.4 per cent above September 2021 (+5.0 per cent for international operations), but still 7.4 per cent below September 2019 levels (–8.1 per cent for international operations).

FACTORS TO BE CONSIDERED

- Following contractions

across major economies, the global Purchasing Managers Index (PMI) for new export orders also contracted (for a third month in a row) to its lowest level in two years.

- Latest global goods trade figures showed a 5.2 per cent expansion in August, a positive sign for the global economy. This is expected to primarily benefit maritime cargo, with a slight boost to air cargo as well.



- Oil prices remained stable in September and the jet fuel crack spread fell from a peak in June.

- The CPI stabilized in G7 countries in September, but at a decades high level of 7.7 per cent. Inflation in producer (input) prices slowed down to 13.7 per cent in August.

“While the air cargo’s activity continues to track near to 2019 levels, volumes remain below 2021’s exceptional performance as the industry faces some headwinds. At the consumer level, with travel restrictions lifting after pandemic cases reduced, people are likely to spend more on vacation travel and less on e-commerce.

At the macro-level, increasing recession warnings are likely to have a negative impact on the global flows of goods and services, balanced slightly by



a stabilization of oil prices. Against this backdrop, air cargo is bearing up well. A strategic slowdown in capacity growth from 6.3 per cent in August to 2.4 per cent in September demonstrates the flexibility the industry has in adjusting to economic developments,” said Willie Walsh, Director General, IATA.

Asia-Pacific Airlines saw their air cargo volumes decrease by 10.7 per cent in September 2022 compared to the same month in 2021. This was a decline in performance compared to August (–8.3 per cent). The airlines in the region continue to be impacted by the Russia-Ukraine conflict, labor shortages, and lower levels of trade and manufacturing activity due to Omicron-related restrictions in China. Available capacity in the region increased by 2.8 per cent compared to 2021.

Middle Eastern carriers experienced a 15.8 per cent year-on-year decrease in cargo volumes in September 2022. This

was the worst performance of all regions and a significant decline compared to the previous month (–11.3 per cent). Stagnant cargo volumes to and from Europe impacted the region’s performance. Capacity was down 2.8 per cent compared to September 2021.

North American carriers recorded a 6.0 per cent decrease in cargo volumes in September 2022 compared to the same month in 2021. This was a reduction in performance compared to August (3.4 per cent). Cargo capacity was up 4.6 per cent compared to September 2021.

European carriers saw a 15.6 per cent decrease in cargo volumes in September 2022 compared to the same month in 2021. This was on par with August’s performance (–15.1 per cent). This is attributable to the war in Ukraine. Labor shortages and high inflation levels, notably in Turkey, hit volumes. Capacity rose 0.2 per cent in September 2022 compared to September 2021. 🇺🇸



Latest global goods trade figures showed a 5.2 per cent expansion in August, a positive sign for the global economy



Expanded facility likely to double Etihad capacity

Etihad Cargo, Etihad Airport Services and Abu Dhabi Airports are preparing to launch new pharmaceutical cool chain facility at Abu Dhabi hub. Products can be exported to Asia, Europe, USA, Africa, and all over Middle East from the new facility.

 CT Bureau

IN SHORT

- Due to go into operation soon, the facility will expand AUH pharma handling.
- The facility's launch will double AUH's capacity to store pharma products.

Etihad Cargo, the cargo and logistics arm of Etihad Aviation Group, in partnership with Etihad Airport Services and Abu Dhabi Airports, are preparing to launch a new state of the art pharmaceutical cool chain facility. Due to go into operation soon, the facility will significantly expand Abu Dhabi International Airport's (AUH)

pharmaceutical handling and storage.

Etihad Cargo's customers will benefit from the carrier's expanded International Air Transport Association (IATA) Center of Excellence for Independent Validators (CEIV) Pharma certification for pharmaceutical and life science logistics and provision of world-class, end-to-end temperature-controlled solutions for transportation

of pharmaceuticals across the carrier's global network.

Prior to opening of the new pharmaceutical facility at the carrier's Abu Dhabi hub, Etihad Cargo transported more than 50,000 tons of cool chain products, including pharmaceuticals and healthcare products, via its PharmaLife product and fresh produce via its IATA CEIV Fresh-certified Fresh-Forward product in the past



12 months. The launch of the expanded and dedicated pharmaceutical hub will double Abu Dhabi Airport's cool chain storage capacity and enhance the airport's capabilities for storage, handling, and transportation of cool chain products .

"Etihad Cargo is proud to have collaborated with Etihad Airport Services and Abu Dhabi Airports to launch the expanded pharmaceutical facility. The expanded infrastructure will offer best-in-class pharmaceutical shipment solutions to Etihad Cargo's customers and is the latest step in supporting Abu Dhabi's vision to cement its position as a global pharma and life sciences hub," said Martin Drew, Senior Vice Presi-

The drone project represents a solution for delivery of small and medium-packages, in line with UPU's objectives





Investment into Etihad Cargo's infra and Abu Dhabi hub will enable the carrier to meet the future pharma chain challenges

dent Global Sales & Cargo at Etihad Aviation Group. “Located at Etihad Cargo’s hub at Abu Dhabi International Airport, it provides the perfect location to link the Middle East to Asia, Europe, the USA, and Africa. Life-saving medicines and medical equipment can be transported seamlessly to those that need them the most. Investment into the carrier’s infrastructure and Abu Dhabi hub will enable Etihad Cargo to meet the future pharma chain challenges and play a significant role in co-creating a robust and future-proof healthcare ecosystem in the UAE and around the world.”

KEY FACTS

The facility will double the cool chain capacity and support the logistics requirements for the latest in specialised medication and life science. The 3,000-square-metre facility is equipped with the latest technology and is in fully aligned with Abu Dhabi’s vision of becoming a life science and pharmaceutical hub. The facility comprises latest technology and features, in-

cluding bulk loading docks with levellers, high-speed roll-up shutters, insulation and a real-time temperature monitoring system, which will enable faster and efficient loading with stricter temperature controls, increased storage space, additional build-up and breakdown zones for improved production workflows and upgraded cool chain facilities for Etihad Cargo’s PharmaLife handling and storage operations.

Steven Polmans, Vice President, Business Development & Regulatory Affairs, Abu Dhabi Airports Free Zone (ADAFZ) said, “The launch of this dedicated pharmaceuticals storage and handling facility will enhance AUH’s capabilities as a cargo hub and aligns with Abu Dhabi’s vision of becoming a international pharmaceutical and life science hub. The collaboration between Etihad Cargo, Etihad Airport Services and Abu Dhabi Airports will continue to increase pharma cargo volumes and position Abu Dhabi as a major solutions provider in the logistics supply chain.”

The new facility will enable the safe storage and handling of a range of pharma products and equipment requiring different temperatures and conditions. To meet the requirements for transporting dangerous goods in frozen and deep-frozen conditions, PharmaLife provides premium tailored solutions to handle temperature-controlled conditions from -80°C to 25°C via the carrier’s portfolio of leased active and hybrid containers. Etihad Cargo also utilizes traditional containers that meet standard temperature requirements from 2°C to 8°C and 15°C to 25°C .

Jubran Al Breiki, General Manager, Ground & Cargo, Etihad Airport Services, said, “In addition to offering temperature-controlled rooms and 24X7 end-to-end cargo support, the systems within the facility enable temperature-sensitive pharmaceuticals to be effectively tracked and traced. This benefits the Etihad Cargo’s customers and other stakeholders with transparency, real-time status updates and makes the transportation of cargo quicker.”

From the pharmaceutical hub, Etihad Cargo will continue to work closely with customers and partners to ensure efficient, safe and on-time delivery of pharma and life sciences products. To meet the requirements of medication and treatment, including cell and gene therapies, the new pharma facility will also feature new X-ray screening for customs inspections within a fully temperature-controlled environment and new dedicated thermal covers. 🚚

Oman Air Cargo records growth in logistics sector

Oman Air Cargo plays vital role in supporting Oman's In-Country Value agenda and driving economic growth. Despite recent economic challenges, division has undergone series of developments to enhance its capabilities and increase competitiveness.

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Positioning Oman as an emerging global logistics hub, Oman Air Cargo, a division of Oman Air, the national airline of the Sultanate of Oman, continues to enjoy remarkable growth. The carrier recorded a 100 per cent increase in cargo transported during the first nine months of 2022, compared to the same period last year, due to changes it has implemented, including new cargo destinations and introducing its innovative 'Cargo-in-Cabin' service to cater to increasing demand.

Oman Air continues to invest in new technologies and upgrade and enhance its services to support its burgeoning logistics sector and provide its customers with tailored, reliable, and convenient solutions to meet their evolving needs.

Established in 2009, Oman Air Cargo plays a valuable role in supporting Oman's In-Country Value agenda and driving

economic growth. Taking advantage of the country's strategic location, it has worked diligently towards building an integrated logistics proposition that unlocks Oman's potential as a global logistics hub.

Despite economic challenges, the division has undergone a series of developments to enhance its capabilities and increase competitiveness. Offering its customers bespoke solutions to meet their freight transportation needs, including special commodities such as pharma, fresh produce, valuables and dangerous goods, it has improved its services to ensure shorter acceptance and dwell time with express connections through its state of the art hub in Muscat.

By operating cargo flights using wide-body aircrafts such as the Boeing 787 Dreamliner, Airbus A330 and Boeing 737, Oman Air Cargo has been able to increase its cargo capacity. Acting in response to the halt

of passenger travel during the COVID, it modified its A330-300 passenger aircraft by removing the seats, allowing it to raise capacity to 40 tonnes per aircraft.

Over the last 13 years, Oman Air Cargo has earned a reputation for offering high-standard products and leading customer service. The division has received several awards, including IATA's Center of Excellence for Independent Validators for 'Fresh' Logistics (CEIV Fresh), which is the industry's leading certification for safeguarding the integrity of perishable goods across the supply chain, and CEIV Pharma confirming the airline's capabilities for safeguarding the integrity of time and temperature-sensitive pharmaceutical products from point of origin to destination. Oman Air Cargo was also named the Fastest Growing International Cargo Airline of the Year (highly acclaimed) at the Air Cargo India 2020 Awards.




Oman Air recorded a 100 per cent increase in the amount of cargo transported during the first nine months of 2022





Sharjah airport records cargo growth of 141%

The Sharjah airport has maintained the highest international standards in its offerings. The peak travel season and rising travel demands during summer and Hajj seasons, says **His Excellency Al Midfa**, Chairman, Sharjah Airport Authority.

 CT Bureau



His Excellency Ali Salim Al Midfa
Chairman
Sharjah Airport Authority

New strategies are being devised to reinforce the airport's position and improve competitiveness

The total cargo handled by Sharjah International Airport since the beginning of the year amounted to 135,038 tons, marking a growth rate of 38.71 per cent, while during the same period last year the airport handled 97,000 tons.

With more than 9.5 million passengers recorded at the end of the third quarter of 2022, Sharjah airport marks another milestone, with a growth rate of 141 per cent, as compared to 3.9 million passengers in the third quarter of 2021. Aircraft movement at the airport also increased by 81.65 per cent with 64,780 flights until September end as compared to 35,662 flights in the end

of third quarter for 2021. His Excellency Ali Salim Al Midfa, Chairman of Sharjah Airport Authority, said, "We have witnessed an outstanding performance by Sharjah airport with increased passenger flow and cargo handling number, marking a significant milestone during the recovery period.

With this, the airport not only has achieved a remarkable position in terms of statistics and numbers, but also provided high quality of services and achieved customer satisfaction through its smart travel services, digital services, and smart solutions. The airport has maintained the highest international standards in its offerings and provided travelers with unique travel experiences." His Excel-

lency Al Midfa highlighted that despite the peak travel season and rising travel demands during summer and Hajj seasons, the authority has accomplished record numbers and provided good services. He said the authority will constantly make efforts to enhance quality and responsibility towards its customers. Additionally, he said that travel rates are projected to rise in the last quarter of the year owing to the increase in tourist destinations and rising demands for travel via Sharjah airport.

New strategies are being devised to reinforce its position and improve competitiveness as one of the top five airports in the region offering unique and exceptional travel experiences. 🇦🇪

Sustainability positively affect customer operations

Limitless Summit is an open forum for industry stalwarts to exchange ideas, experiences, best practices, and to leverage technology for harnessing limitless opportunities in a rapidly evolving logistics ecosystem for optimising logistics operations.

CT Bureau

The supply chain is no longer an abstract concept. In fact, the integrity of these chains relies on collaboration from the entire system, and research shows collaboration positively affects supply chains.

Shipsy's virtual logistics tech summit on navigating 'The Road to Sustainable and Cost-efficient Logis-

tics' recently concluded on a high note. The second flagship event in the Limitless series has witnessed the participation of many industry stalwarts from leading organisations and over 1,000 supply chain professionals worldwide.

The Limitless Summit is an open forum for industry leaders to exchange ideas, learnings, best practices, and key trends that can drive and harness limitless oppor-

tunities in a rapidly evolving logistics ecosystem.

The latest edition touched upon how the environment and business profitability can go hand in hand. Nations across the globe are making efforts toward decarbonising their supply chains. But with reports necessitating the region to slash its CO₂e missions by 42 per cent to meet the 2030 target, the companies must leverage advanced

The latest edition touched upon how the environment and business profitability can go hand in hand





Shipsy's platform racks 650,000 containers per month, that is, freight worth US\$ 150 million per month

solutions to reduce their carbon footprint.

Soham Chokshi, CEO & Co-Founder, Shipsy, shed light on how technology can play a pivotal role in increasing logistical efficiencies. He said, "Dynamic order planning, reducing the distance traveled, increasing usage of carriers, optimizing territory planning, and seamless communication between riders and consumers will empower businesses to reduce CO2 emissions. Data will play a critical role here. Sustainability dashboards will help businesses monitor their carbon footprint before the shipment journey commences and select the right logistics partner."

Shipsy's smart logistics management platform empowers enterprises to significantly reduce operating costs, lower carbon footprint, enhance customer experiences, boost delivery productivity, and drive seamless cross-border freight movement. Shipsy's 350-strong team is based out of India, Dubai, and

Indonesia serving over 180 customers across the globe.

It tracks 650,000 containers per month, that is, freight worth US\$150 million per month, and powers 60 million parcels per month. On a broader perspective, Shipsy has 50 third-party logistics companies, 300 freight forwarders, 50 customs agents, and over 15,000 adopted shipper networks.

Chokshi also unveiled Shipsy Business Intelligence—an intuitive tool that helps businesses with real-time, data-driven logistics intelligence. Logistics leaders can leverage customisable dashboards to compare multiple metrics to track and reduce infringement at each stage of their logistics value chain. The keynote by Ekhlauque Bari, Chief Information Officer, Jubilant FoodWorks, shared significant drivers to boosting customer experiences. He also highlighted that customer experience is intricately linked to profitability and sustainability. Bari said, "Businesses must

always keep product quality, price, behaviour, trust, effort, and TAT in check. Poor quality products/services, inability to arrest mock rider locations, and non-adherence of delivery SLAs, among other factors, worsen customer experiences. Providing too many variants for the same product can impact purchase decisions. Fair pricing is vital and to ensure businesses charge the right price, they must identify cost optimisation pockets like improved route planning." In a panel discussion, moderated by Vohuman Bardi, VP, EMEA & APAC, Shipsy, the panellists delved deeper into how businesses can strike a balance between environmental sustainability and logistics costs.

Walid Shabana, CTO & Co-Founder, Rabbit Mart, said, "Sustainability is all about protecting and preserving natural resources. Our organisation aims to reduce waste from the grocery (fresh produce) and minimize hoarding by taking the product faster to the customers. We built our business model on dark stores to reduce the distance travelled and serve select geography with limited resources."

Bassel El Koussa, CEO & Co-Founder, Quiq, said, "Inefficiencies and CO₂ emissions occur in the final mile. We aim to make last-mile routes productive, bring up pickup points closer to lower travel times to reduce carbon emissions. Making unit economics of the on-demand delivery model work necessitates embracing advanced technologies. It will help businesses to shorten distance traveled and maximize resource utilisation." 🌱

Global Freights Summit '22

DP World held its Global Freight Summit from 14-22 November in Dubai to explore business opportunities and find solutions for supply chain needs.





Warehousing major to expand with GCC firms

Sinotrans China's leading logistics company, is planning a 5G enabled warehouse and to install robots for collecting and arranging the cargo. Company operates warehouses located in JAFZA, DAFZA, and Dubai World Central.

 Abigail Mathias

One of the plans of China's integrated logistics major, Sinotrans Ltd (Sinotrans) is to build a smart warehouse with Du, its client. The firm will implement smart technology in a new warehouse, which will

be 5G enabled, robots will be installed in these warehouses for collecting and arranging the cargo.

Elaborating, Fan Yuanxin, Freight Forwarding and Logistics Project Manager, Head of Operation Department (Operation & CSR) said, "With ro-

botic warehousing not too far in the future, it is safe to say that the industry is witnessing revamp of technology."

Sinotrans uses Dubai as its main hub and has a branch office in Kuwait, KSA and Iraq. "We would like to collaborate with other companies in GCC.





We have clients who meet the requirements. Overall, we operate warehouses on more than 60,000 square meters, which are in JAFZA, DAFZA, and Dubai World Central. This shows the firm's confidence in the region. Our major clients are from China, including Huawei, China Tobacco, among others. We also try to interact with the local businesses in the UAE as much as possible. That is why we have made another warehouse for an international company, the G42 Group."

"We have three different companies, all belonging to the Sinotrans Group, in the UAE. Sinotrans Middle East was set up in 2013 and since 2020, the firm started an e-commerce company with Shein, a popular clothing brand in the Mid-

dle East. We have a 12,000 square meter warehouse. Projects such as these highlight the fact that e-commerce has dramatically increased in the UAE region. This trend leads us to create more warehouses."

Business has gotten quite good after the pandemic cases reduced substantially. Our warehouse is already full. In fact, one of the biggest changes, we have seen is that the clients are more than willing to keep the cargo in stock instead of getting it shipped hurriedly during a crisis. The warehouses help to meet the demands of customers easily.

Pondering on the recent trends, he said, "There have been many changes in the freight forwarding business.

No matter if it is e-commerce or logistics, the system is important for us. We deal with integrated logistics and customize our services for clients. The business has picked up pace a year after 2020 to June-July, especially on e-commerce front."

"In the past two or three years, we have grown quickly. We expect grew up to 80,000 square meters in terms of warehousing alone. The office is made up of a total of 150 people. We have as many as 1,400 warehouse personnel. We also deal in air freight operations." The third company belonging to Sinotrans is local. The firm deals with in-house custom clearance. "It is sometimes a challenge for us to manage and retain the staff," he explained.

While firms faced a setback due to COVID, Sinotrans, ranked among the top 10 logistics companies, business came back to life soon, thanks to the UAE's govt's quick action on the vaccine and minimizing the effects of the virus. Sinotrans offers logistics solutions including multimodal freight forwarding by air, land, and ocean, supply chain logistics, warehousing and distribution terminal operations. 🚚



Fan Yuanxin
Freight Forwarding and Logistics
Project Manager, Head of Operation
Department (Operation & CSR)

In the past two or three years, we grew quickly. We expect to grow up to 80,000 square meters in terms of warehousing alone





Expert handling of pharma, perishables

Airlines quickly gained clearance to use the cabins for air freight as well, supporting many customers around the world with charters and cargo-only flying, says **Ankush Chawla**, Area Commercial Manager, South Asia. More destinations have been added by the airlines.

 Ritika Arora Bhola

With cargo and pax ops coming back to 2019 levels, how is the airline gearing up to meet the increased demand and achieve pre-pandemic cargo volumes?

This year, International Air-

lines Group (IAG) Cargo has been focusing on bringing global network and capacity back to pre-COVID levels by introducing new routes and announcing resumption of pre-pandemic services. The business now offers more destinations into North

America from London-Heathrow than 2019. Route expansion includes opening a new service to Portland from London-Heathrow, and new services to Dallas and Washington from Madrid hub, while business restarted services into Pittsburgh.



Globally, IAG Cargo continued to expand its network, and from its Madrid hub added eight more destinations since 2019.

With e-commerce market booming, consumers across the world are buying a range of goods and services online. The IAG Cargo recently added a cargo-only service between London Heathrow and Hong Kong—this air bridge is vital to the movement of e-commerce and electronic goods across the globe.

The priority products with e-commerce customers rose to 25 per cent in H12022 vs H12019. “We have increased services to Johannesburg and Dubai. Soon we will announce our winter schedule. It will offer customers more uplift out of Latin America into Europe and UK. In 2023, we will announce some exciting new routes,” he said.

Throw light on the present freighters, and new freighters added to the fleet, new networks among others?

IAG Cargo uses the belly hold of

passenger aircraft of IAG Cargo comprising British Airways, Iberia, Vueling, Aer lingus and LEVEL. With five airlines and 500 aircraft, it is a model that provides IAG Cargo with capacity and global reach. The breadth of our network allows customers to access network where a freighter 747 is unable to land. As a dynamic organization, during the pandemic it quickly gained clearance to use the cabins for freight as well, supporting many customers around the world with charters and cargo-only flying.

Tell us if the carrier has the right tech and infra to move live animals, heavy and outsized cargo worldwide?

At IAG Cargo, we are well equipped to move all types of cargo, from lifesaving vaccines to car parts and live animals. When it comes to temperature-sensitive pharma and bio-science products, IAG Cargo has many years of experience and benefits from three established world-class specialist hubs at London Heathrow, Madrid Barajas, and Dublin, supported by more than 100 approved Constant Climate stations around the world. When it comes to food, fresh flowers, or dairy products, IAG Cargo supports some of the world’s largest growers and retailers by delivering perishables rapidly. The business has a perishable handling facility in London. Our service is designed to optimize the shelf life of produce.

In April 2021, IAG Cargo was the first airline group to commit 10 per cent of its fuel to be SAF by 2030. It is committed to making aviation sustainable, and last year, has bought 10 million liters of SAF to reduce its customers’ supply chain emissions by 24,400 tons of CO₂. 🌱


IAG Cargo benefits from three established world-class specialist hubs at London Heathrow, Madrid Barajas

IN SHORT

- When it comes to perishables, IAG Cargo sees to it that they are delivered rapidly.
- IAG Cargo has bought 10 ml of SAF to reduce its customers’ carbon emissions.

Emirates' support for 50-year UAE-Egypt ties

Emirates, which is celebrating 50-year relations between UAE and Egypt, has facilitated exports from Egypt and connectivity to businesses, thus providing a boost to its economy. The airline came into operation in Egypt in 1986.

 CT Bureau

With celebrations underway in Cairo to mark 50 years of relations between the UAE and Egypt, Emirates is highlighting its contribution to Egyptian tourism and trade flows, helping promote opportunities and foster deeper people to people connections throughout its 36 years of operations in Egypt.

Emirates has been operating to Egypt since its early days as an airline. Emirates began flights to and from Cairo in 1986 as its first destination in Africa. Today, Egypt is not only an important regional point, but also a major international market. The airline has carried 9.3 million passengers on 38,000 flights between Cairo and Dubai, and Egypt's

capital city is one of the major destinations on Emirates A380 network.

Its growing network has been helping to open more trade lanes and investment opportunities for the Egyptian business community through enhanced link to Dubai, a major global commerce hub as well as to and from commercial centers around the world. Popular destinations on Emirates network for Egyptian travelers include Asian cities, the Americas and Australia, Bangkok, Hong Kong, Sydney, New Delhi, Mumbai, New York, and Washington D.C.

In 2018, Emirates opened a dedicated First and Business Class Lounge at Cairo International Airport, making it the carrier's first lounge in North Africa at a cost of US\$ 3.6 mil-

lion. Emirates has two offices in Cairo—one in Mohandesin and another in Heliopolis. The airline employs 1,600 Egyptian nationals, including 850 cabin crew and 22 pilots in a variety of roles.

Throughout the pandemic, Emirates provided connectivity to businesses and facilitated exports from Egypt, thus contributing to the local economy. Egypt is an exporter of food and perishables to both the Middle East and Europe, and SkyCargo, with the support of Cairo airport's strong cool chain infrastructure, facilitates the transport of thousands of tons of food and perishables from Cairo. Emirates SkyCargo plays a vital role in import of pharmaceuticals and medical equipment into Egypt. The first batch of COVID vaccine dos-

Emirates has carried 9.3 mn passengers on 38,000 flights between Cairo and Dubai, on the carrier's A380 network



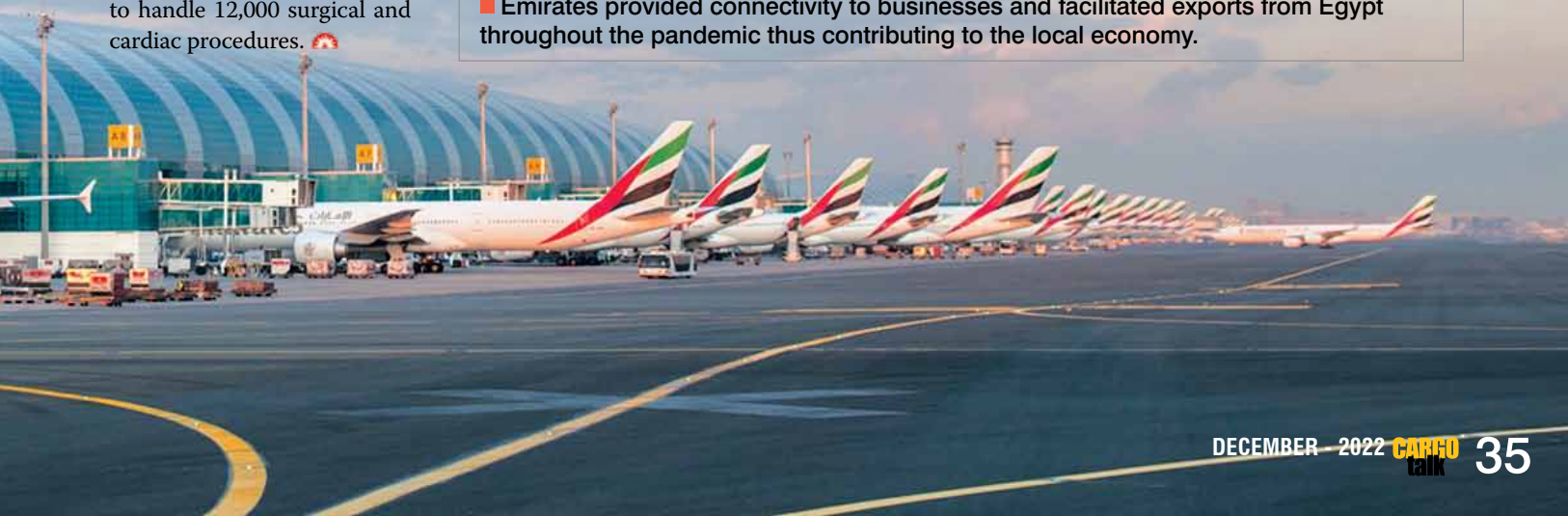


es were shifted into Egypt by Emirates SkyCargo in 2021.

Emirates has paid Egypt's local communities through its social contributions. In 2020, SkyCargo pledged its support to help build The Magdi Yacoub Heart Centre in Cairo, which aims to provide treat and improve the health conditions of millions of cardiovascular patients in Egypt and the Arab World free of cost. The hospital has the capacity to provide advanced cardiac care for 80,000 patients a year and will be able to handle 12,000 surgical and cardiac procedures. 🇪🇬


CONTRIBUTION BY EMIRATES TO EGYPT

- Emirates flew as many as 9.3 million passengers on 38,000 flights between Cairo, Egypt's capital, and Dubai.
- In 2018, Emirates opened a dedicated First and Business Class Lounge at Cairo airport, making it the carrier's first lounge in North Africa.
- In 2020, Emirates SkyCargo pledged its support to help build The Magdi Yacoub Heart Centre in Cairo to treat the health condition of millions of patients in Egypt and the Arab world.
- The hospital has the capacity to provide advanced cardiac care for 80,000 patients a year and will be able to handle 12,000 surgical and cardiac procedures.
- Emirates has offices in Cairo, one in Mohandessin and another in Heliopolis to reach out to Egyptian customers.
- Popular destinations on the Emirates network for Egyptian travelers include Asian cities, the Americas, Australia, Bangkok, Hong Kong, Sydney, New Delhi, Mumbai, New York, and Washington D.C.
- Emirates provided connectivity to businesses and facilitated exports from Egypt throughout the pandemic thus contributing to the local economy.



Virgin Atlantic to help important **supply chains**

We send a range of specialist products through air cargo to many destinations across online and offline trucking and interline partner networks. We are increasing more destinations in our network via the European gateway, says **Alex McEwan**, Country Manager, South Asia, Virgin Atlantic.

 Ritika Arora Bhola

How is Virgin Atlantic Airways gearing up to meet the increased demand, achieve pre-COVID cargo volume levels, and 100 per cent capacity utilization?

We work to maximize capacity utilization, critical during the COVID outbreak when we had paused our scheduled passenger flying. During that time, we pivoted and re-engineered our business into a successful freight operation offering cargo-only services and charters for the first time in the airline's history. Our airlines also fly various destinations in the Middle East.

This remains important today as the international travel rebounds and we continue to

review our network, considering aircraft availability and the services, which support customer demand.

Explain about VA's freighter ops worldwide. Throw light on the new freighters networks or destinations added?

We can confirm that Virgin Atlantic Cargo's current European freighter operation will cease at the end of October. We are exploring opportunities for faster connections to our flight network via European gateways and continue to identify opportunities to fly short haul cargo only flights for this winter season.

Tell us if the carrier has the right technology and infrastructure to move variety of cargo, including heavy, outsized, temperature sensitive, worldwide?

Virgin Atlantic Cargo offers a reliable and competitive solution for cargo needs. Whether customers are looking to ship pharmaceuticals, high value or sensitive cargo and temperature sensitive perishable goods, we offer a range of specialist products to connect cargo to many destinations across online and offline trucking and interline partner networks.

As we continue to support vital supply chains across the globe, the unit makes for a great addition to Virgin Atlantic Cargo's portfolio of ULDs as it can guarantee greater security for highly valuable and sensitive pharmaceutical and life science shipments. Further to this, we recently extended our long-standing partnership with England-based Airbase GSE in a new

We are exploring opportunities for faster connections to our flight network via European gateways to fly short haul cargo



five-year contract, continuing the successful operation of ULD Cargo. The partnership includes ULD management systems, procurement planning and digitalization, as well as assisting in creating a sustainable future with environmental management systems. As we continue to strive towards a greener cargo operation, the partnership extension sees Airbase GSE support our move toward our 2050 sustainability target, by recycling all Vir-

vital role in certain market segments. The airlines are moving towards becoming carbon neutral by 2050 and adopting SAF. Please tell us about your initiatives in this regard.

Beyond fleet transformation, we are committed to working with new technology innovators to seed, support and adopt the breakthrough technologies capable of delivering change. As a long-standing advocate for Sustainable Aviation Fuel (SAF), we have been partnering with LanzaTech since 2011, flying the world's first commercial

be delivered in the first half of 2022 to London Heathrow. The supply is an important step towards our target of 10 per cent SAF by 2030. The pact forms part of a collaboration between Virgin Atlantic and Neste to increase the availability and use of SAF in the UK. Building a strong domestic SAF industry would put Britain at the forefront of commercialising new technologies in support of net zero ambitions, capable of reducing the lifecycle carbon impact of aviation fuel by 75 per cent compared to traditional jet fuel.



Alex McEwan
Country Manager, South Asia
Virgin Atlantic



gin Atlantic cargo nets, saving 200 tonnes in landfill waste.

The last few years witnessed many freighters conversions taking place. Do you think the P2F trend will continue or end with pax ops gaining momentum?

As the airlines deploy more next generation fuel efficient aircrafts, there are in turn more of the previous generation aircraft available for conversion. P2F can serve a

flight operated on sustainable fuels in 2018 and supporting efforts to build the first UK SAF plant by 2025. Recently, we have continued to support new technology innovation, working with partners, Storegga Geotechnologies and Carbon Engineering, to accelerate the use of direct air capture of CO2. We have recently partnered with Neste Oyi and are pleased to announce the UK supply of 2.5 million liters/2,000 metric tonnes of neat SAF, which will

What is your vision 2030 in air cargo sector? What are the growth drivers of air cargo?

Sustainability will be a key driver for the air cargo sector. Sustainability, digital distribution, and new product development will be key initiatives for us. Delivering these initiatives, combined with our reputation for high service standards and strong customer relationships will ensure continued growth in 2023. 🌱


As more next generation fuel-efficient aircrafts, are deployed, more previous generation aircraft are open for conversion

‘Accelerate industry’s decarbonization efforts’

Asian Airlines have a key role to play in advancing the recovery of the airline industry recovering from the pandemic. Now is the time to get the capacity in place, both in terms of infrastructure and the manpower, says **Conrad Clifford**, IATA’s Senior VP and Deputy Director General.



Conrad Clifford
Senior VP and Deputy Director General
IATA

 Ritika Arora Bhola

The International Air Transport Association (IATA) urged the Asia-Pacific region to prepare for the anticipated surge in traffic, cargo and provide policy support for the industry’s decarbonization efforts as the region moves forward from COVID.

“The past three years have been extremely challenging for the airline industry. Asian Airlines in particular were hit hard, accounting for a third of the industry’s losses between 2020 and this year. With the region finally emerging from COVID, the governments

have a key role to play in accelerating the recovery, and supporting the industry’s sustainable growth,” said Conrad Clifford, IATA’s Senior Vice President and Deputy Director General. Clifford was speaking at the Association of Asia Pacific Airlines’ (AAPA) Assembly of Presidents in Bangkok.

EMERGING FROM PANDEMIC

“Asia has been a laggard. The rest of the world started lifting curbs and reopening borders last year. However, it was only around April this year that positive momentum was seen in Asia. That is why international passenger demand

in September was only at 41.5 per cent of 2019 levels, the lowest among regions,” said Clifford. North American carriers led the way at 89 per cent of 2019 levels, while the other regions were between 73-83 per cent range.

“APAC governments can accelerate the recovery. There is no reason why we cannot travel as we did before the pandemic. The region also needs to prepare for the surge in traffic. The delays and congestion experienced in Europe and North America should be a stark reminder for airports and government agencies in Asia-Pacific. Now is the time to get the capacity in place,





both in terms of infrastructure and the manpower,” said Clifford. IATA is also calling for more digitization of processes to be able to handle the increase in traffic.

Clifford recognized the region’s recovery will be held back if China remains closed to international travel. “We must learn to live, travel and work with COVID-19. We hope the Chinese government will have the confidence to re-open its borders and connect with the world,” he said.

POLICY SUPPORT FOR DECARBONIZATION

In 2021, IATA’s members committed to achieve net zero CO2 emissions by 2050. Last month, the governments meeting at the International Civil Aviation Organization (ICAO) Assembly adopted a

Long-Term Aspirational Goal (LTAG) to achieve net zero CO2 emissions by 2050.

“We are encouraged by the LTAG agreement at the ICAO Assembly. With both governments and industry focused on the same goal, the significance of LTAG cannot be overstated. But to achieve net zero CO2 emissions by 2050, government policy support in key areas of decarbonization is critical. One such area is incentivizing the production capacity of Sustainable Aviation Fuels (SAF),” said Clifford.

SAF is expected to account for 65 per cent of carbon mitigation in 2050. It will be the largest contributor to the industry’s sustainability. Airlines bought every drop of SAF available in 2021

and have committed to over \$17 billion of forward purchasing agreements.

“The problem is the limited supply and high costs. I urge APAC to look at stimulating SAF production,” said Clifford. Government incentives for SAF could see 30 billion liters of production capacity globally by 2030. Japan and Singapore have demonstrated an exemplary approach to SAF, involving the industry in the consultation process, and in promoting domestic production of SAF.

Clifford said there is a need to address air traffic crowding on routes between Asia and Europe due to airlines reinstating their networks coupled with diversions to avoid the airspace over Afghanistan, Russia, and Ukraine. 🇺🇦

The problem is the limited supply and higher costs. I urge Asia Pacific region to look at stimulating the SAF production




Training in **air freight,** **logistics** for managers

Three-day training is to enhance standards and develop new skills required to perform as freight and logistics manager. The key focus of training was on leadership skills, technical skills, strategy, making decisions, art of networking and communication.



Group signs pact to explore support **logistics projects**

Leading companies to review opportunities for collaboration on projects to enhance UAE–Iraq trade flows. As part of its strategy, AD Ports Group enters into agreement, as part of its strategy for growth, globalization and expand international operations.

 CT Bureau

AD Ports Group, leading facilitator of global trade, logistics, and industry, and International Development Bank (IDB), have signed a MoU to review opportunities for ports and logistics projects that could enhance trade flows between the UAE and Iraq.

Being the only financial institute licensed from the Central Bank of the UAE to provide wholesale corporate banking service, IDB aims to provide its services to corporate clients and support a range of landmark infrastructure projects in both countries.

Captain Mohamed Juma Al Shamisi, MD, and Group CEO, AD Ports Group, and Dr. Ziad Khalaf, Chairman, International Development Bank (IDB) signed the agreement.

As part of its strategy for growth and globalisation, AD Ports Group has signed several pacts to explore opportunities for management and development of ports and logistics assets across Iraq, including a 2021 agreement with General Company for Ports of



Captain Mohamed Juma Al Shamisi, MD and Group CEO, AD Ports Group (right); and Dr. Ziad Khalaf, Chairman, IDB signing the agreement for port and logistics development to enhance trade flows between the UAE and Iraq

Iraq (GCPI) to promote increased cooperation.

Captain Shamisi said, “The Group continues to expand its international operations, at the direction of our wise leadership, which has seen us provide support for the development of ports and logistics assets around the world. There are opportunities for enhancement and modernization across Iraq’s ports, logistics and economic zones, and, working with IDB, we will review many key projects that help drive UAE-Iraq trade.”

Dr. Ziad Khalaf, Chairman, IDB said, “Building connectivity helps strengthen both the national economy and the trade ties between our nations, so we are pleased to enter into this agreement

with AD Ports Group, which is a leading enabler of global trade, logistics and transport. The ports and logistics sector plays a vital role in supplying communities across Iraq, and we are optimistic that we can collaborate on projects that make a real and lasting impact.”

“We aim to strengthen and deepen the bonds of economic and commercial cooperation between the UAE and the Iraq to achieve economic twinning between the two neighbouring countries.” The UAE and Iraq have continued to strengthen trade ties in 2022, with several trade agreements and development deals. The World Bank estimates Iraq’s economy will expand 6.3 per cent over the next two years. 🌍

Building connectivity helps strengthen both the national economy and the trade ties between our nations

SmartLynx Airlines to get 20 A321F units in 2023

Demand for this type of aircraft is higher than the conversion capacity, and we are happy to be one of the first airlines to believe in the program and secure multiple P2F conversion slots, says **Zygmantas Surintas**, CEO, SmartLynx Airlines.



conversion slots. I can admit that at the beginning there were doubts if it was the right move for SmartLynx, but from today's perspective, taking that risk and diversifying our business portfolio with cargo operations has proven to be the right choice. In addition to tapping into a market that has grown during the pandemic, the addition of freight business helps offset the seasonal issues that ACMI operators typically face," Zygmantas Surintas, CEO, SmartLynx Airlines, said.

 CT Bureau

AD Ports Group, leading facilitator of global trade, logistics, and industry, and International Development Bank (IDB), have signed a MoU to review opportunities for ports and logistics projects that could enhance trade flows between the UAE and Iraq.

BSmartLynx Airlines, Latvia-based airline has announced an addition of four A321F planes to its growing cargo fleet to ensure flights in Europe, Asia, Africa, and South America. The additional freighters will bring SmartLynx's fleet to a total of 15 active aircraft of this

type by H1 2023, with a plan to expand up to 20 by the end of the year.

All four A321Fs – MSN 941, 961, 1185, and 1241 are part of a sales-leaseback agreement with Aero Capital Solutions and will be registered in Malta after the conversion. The passenger-to-freighter conversions are being undertaken by Precision Aircraft Solutions (Precision) and Elbe Flugzeugwerke (EFW).

"The demand for this type of aircraft is very high—even higher than the conversion capacity, and we are happy to be one of the first airlines to believe in the program and secure multiple P2F

The expansion is one of the key components of SmartLynx's strategic plans to become the largest operator of A321F freighters in the near future.

The A321F offers many advantages, having the highest payload and the most versatile, customer-friendly features in the cargo market today. The A321F is the most fuel-efficient narrowbody cargo aircraft available, and choosing this type of aircraft underlines SmartLynx's commitment to more sustainable air transportation. "The new Airbus A321F freighters have helped us reduce flight operational costs by up to 15 per cent," Surintas said. 🇸🇻

The additional freighters will bring SmartLynx's fleet to a total of 15 active aircraft of this type by H1 2023



Emirates announces firm order for 5 Boeing freighters

Agreement for five Boeing 777-200LRs was worth US\$ 1.7 billion at list prices, taking the airline's total order book to 200 wide-body aircraft. It lays the groundwork for our continued growth, says **H.E. Sheikh Ahmed bin Saeed Al Maktoum**, Chairman & Chief Executive, Emirates Airline and Group.

CT Bureau

Emirates has announced a firm order for five Boeing 777-200LR freighter aircraft, with two units to be delivered in 2024 and the rest in 2025.

His Excellency Sheikh Ahmed bin Saeed Al Maktoum, Chairman and Chief Executive of Emirates Airline and Group, said, "Emirates is investing in new freighters so that we can continue to serve customers with the latest fuel-efficient aircraft. This order reflects our confidence in air freight demand and overall aviation sector growth. It lays the ground for our continued growth, which is driven by the reach of our diverse global network, the advanced handling infrastructure at our Dubai hub,

and the tailored transport solutions that Emirates has developed to serve our varied customers' needs."

Stan Deal, President and CEO, Boeing Commercial Airplanes, said, "We value the trust that Emirates has placed in its all-Boeing freighter fleet. The expansion of Emirates' fleet with these additional fuel-efficient 777 freighters will enable the airlines to support its growing cargo market demand, transporting goods rapidly and efficiently from origin to destination in the Middle East and around the world."

In last November's Dubai Airshow, Emirates announced a US\$ 1 billion investment to expand its air cargo capacity, including two new 777Fs, which have joined the Emirates fleet

in 2022, and plans to convert 10 Boeing 777-300ERs into freighter aircraft. The aircraft conversion work is scheduled to begin in 2023.

Emirates was the launch customer for the Boeing 777 freighter. The versatile aircraft has since become the core to the airline's ops, operating scheduled and charter missions to destinations across six continents. The 777-F's range and payload capabilities allow Emirates to transport time and temperature sensitive shipments from origin to destination—whether it is time critical goods, fresh products, medicines, pets, cars, or champion racehorses. Emirates currently operates a fleet of 11 Boeing 777 freighters in addition to belly hold cargo capacity on its fleet of widebody 777 and A380 passenger aircraft. 🇦🇪

Presently, Emirates has a fleet of 11 Boeing 777 freighters in addition to belly hold cargo capacity of 777 and A380 passenger aircraft

Brightening up the skies

Abu Dhabi Air Expo was held from 1-3 November 2022 at Al Bateen Executive Airport. It brought together major players in aviation, aerospace, air cargo, and offered a unique platform for industry leadership through its latest developments and innovations.





Dubai Helishow 2022

International civil and military helicopter technology and operations conference and exhibition was held in Dubai from 24-26 October. Several entrepreneurs from various logistics companies also attended the show since choppers are helpful in lifting cargo.



Pact to reduce carbon emissions of freighters

CargoAi and Neste collaboration allows freight forwarders and their clients to reduce their carbon emissions. Neste MY SAF is made available to CargoAi customers for any cargo booking to reduce the emissions of their shipment, while utilizing CargoAi's innovative digital booking platform.

CT Bureau

CargoAi, air cargo's fastest growing digital solutions provider, and Neste, the world's leading producer of SAF, announced a pioneering partnership which enables freight forwarders and their clients to significantly reduce the carbon emissions of their cargo transport through the purchase of Neste MY SAF. Freight forwarders arrange transportation for the cargo of other companies and play a pivotal role in reducing the carbon emissions associated with such cargo transportation.

As of November 2022, CargoAi will offer the possibility to purchasing Neste MY SAF when booking a cargo transport. This can be done in the booking flow—either after a booking is confirmed or when the cargo is being tracked. This complements CargoAi's Cargo₂ZERO sustainability offering launched in October 2022. The use of SAF significantly reduces greenhouse gas emissions from air transport. Purchasing Neste-produced SAF helps companies meet their climate targets. "We are proud of this partnership with Neste, as sustainability

is at the core of all our product developments and customer interactions. Building on the CO₂ Efficiency Score already available in our Cargo₂ZERO solution, will further encourage forwarders to enter discussions with their own clients about what is needed for the industry to move forward towards reaching the industry's Net Zero targets together. We are also enabling access for smaller freight forwarding companies in 110 countries to purchase SAF in smaller quantities," said Matthieu Petot, CEO, CargoAi.

"I am excited to announce this partnership between Neste and CargoAi. Working with an innovative and industry-leading partner such as CargoAi allows us

to accelerate and broaden the utilization of SAF into new markets. Through this partnership, Neste MY SAF is made available to CargoAi customers for any cargo booking to reduce the emissions of their shipment while utilizing CargoAi's innovative digital booking platform. We are proud of our partnerships with like-minded organizations sharing the same commitment to a more sustainable future for aviation," said Jason Reichow, Vice President Business Development, Renewable Aviation, Neste.

During the booking or tracking phase, forwarders will be prompted with data of CO₂ emissions that their shipment will emit, calculated on IATA standards. 🌍

Use of SAF reduces Co₂ emissions from air transport. Buying Neste-produced SAF helps firms meet climate targets





Robotics help optimize tasks to **reduce costs**

PicTruc monitors movement of freight to provide much needed insights thereby enabling users to make better decisions more proactive logistics decisions. The Abu Dhabi hub will enable Etihad Cargo to meet the future pharma chain challenges.

 Abigail Mathias

The trucking industry is both dynamic and dependable. According to statistics, trucks moved over 11 billion tons of freight in 2019. An end-to-end logistics platform that has quickly made its mark is PicTruc. The UAE-based firm has grown from strength to strength and won the support of reputed establishments in the market.

Founder and CEO, Srin Sundar says, “PicTruc started in the UAE market. We approached the MHAO group (Mohamed Hareb Al Otaiba) in Dubai and began as a joint venture. We saw a lot of potential for load aggregation in this region.” The team started in

2021 and have already seen remarkable progress.

Shailen Shukla, Chief Logistics Officer added, “On the strength of the technology with our partners we have won a lot of trust from our partners.”

As technology continues to evolve, one can expect to see even more amazing robotics applications in these industries. Robotics can help to automate and optimize tasks in the shipping and logistics industry, resulting in increased efficiency and productivity. For example, robots can be used to load and unload vehicles, sort and track packages, and assemble orders. By automating these tasks, busi-

nesses can reduce costs and improve the accuracy and timeliness of deliveries.

Discussing some of the logistical challenges of trucking operations, Sundar states, “We noticed that the sector is fragmented which is where we saw a opportunity. More than 90 per cent of truck owners are single truck owners. Collecting them together and running the show is a challenge. We thought that more visibility of loads and trucks can be provided by Pictruc. The UAE and GCC market has a huge import dependency. Once a product reaches, it needs to be shipped. That is where we come in. One can meet the challenges only via technol-

IN SHORT

- We went MHAO Group in Dubai as we saw potential for load aggregation here.
- We complete the last mile for air cargo in terms of clearing the sending cargo.

ogy. Our clients are willing to pay for technology.”

Shukla added, “We are trying to solve the visibility problem and an aim to reach the divers. However, tracking is not the only important factor. What we have noticed globally is that people are very interested in technology. Right now, the post pandemic situation has helped us grow. People realise that they need technology. We have noticed a revenue growth process.”

Sundar said, “Three things have been accorded priority for us namely, technology growth, revenue growth and knowledge. As an industry, we have to be technologically progressive. PicTruc is educating the user, which is very important. Other companies have to use technology to improve their status quo. They have to improve their skills in order to sustain in the business otherwise their business will fail.”

GAINS FROM THE PANDEMIC

“Post-COVID we have added about 2,000 trucks on our platform. We have truckers who are willing to work with us directly in the market. We also have 15 of the top clients working with us. We are able to do it because of our team and our product. We are working with many food companies and their movement is via refrigerated cargo vehicles. We have low bed trucks. We are doing heavy cargo truck movements to Saudi Arabia,” said Shukla.

Sundar added, “Technology is evolving every day. If we are not on top of the game our competitors will go past us. We are very clear which area we have to focus. We aren’t

into hardware related products, which is a very heavy investment. As a software company we are in blockchain, which is going to rule the supply chain and logistics in the next five years. The UAE and GCC countries are more open to it which is a huge benefit. We are also trying to get into the Fintech model which is going to be on a secure model. Currently, we use the cloud platform and Java.”

“We are doing outbound movement to the entire GCC as well as we are doing loads to Egypt and Jordan. We don’t have a physical office in Bahrain or other GCC countries at the moment, but we operate from Dubai. Our SAS platform can work from USA, UK or anywhere,” informs Shukla.

GOING FORWARD

“We are in the evolution stage. Right now, we are focused on road transportation, but the ultimate goal is to aggregate more sectors. Fortunately, or unfortunately every sector has its own scope. Once we reach a certain stage, we can acquire companies. We are focusing more on road transportation at the moment.”

The company is indirectly related to air cargo. They complete the last mile for air cargo in terms of clearing the shipment and sending the cargo door to door. Commenting on the rising cost of fuel, the PicTruc



Srini Sundar
Founder and CEO
PicTruc



Shailen Shukla
Chief Logistics Officer
PicTruc

As a software company, we are in blockchain which is going to rule the supply chain and logistics in the next five years


We are doing outbound to the GCC and we are doing loads to Egypt and Jordan. We do not have a office in Bahrain or GCC nations

CEO said, “Yes, it affects us but in this scenario the freight prices will also go up. The fuel prices will increase or decrease from time to time. Any logistics company may lose a little bit of money, but the cost of the freight goes up as well. If you have a contract and there is a fuel escalation it will not affect us very badly. Smart pricing ensures that we don’t need to worry about it. As long as the vendor doesn’t increase the price, we don’t need to increase the prices as well.” 🚛



TCS joins CargoWise program for helping firms

It enables logistics service providers to centralize one global database, remove complexities of managing disparate systems, while increasing visibility of information and data accuracy, and offers a range of consulting and technology services to configure and optimize CargoWise.

 CT Bureau

WiseTech Global (A S X : W T C) recently announced Tata Consultancy Services (TCS) (BSE: 532540, NSE: TCS) has joined CargoWise Service Partner program to support logistics providers to achieve their digital transformation goals using the industry-leading cloud-based logistics platform CargoWise.

It enables logistics service providers to centralize one global database, remove complexities of managing disparate systems, while increasing visibility of shipment information and data accuracy. The industry-leading software is used by 24 of the top 25 global freight forwarders and 41 of the top 50 third-party logistic providers. Certified CargoWise Service Partners offer a range of consulting and technology services to implement, configure and optimize CargoWise.

“TCS is helping leading logistics and supply chain companies worldwide reimagine business models, enhance customer experience, and drive intelligent ops using digital technologies. With our industry exper-

tise and customer-specific contextual knowledge, we will help clients leverage the CargoWise platform to accelerate their digital transformation journeys,” said Arun Pradeep, Business Head, Travel, Transportation and Hospitality, Europe, TCS.

Fergus Park, Partner Management, WiseTech Global said, “TCS’ proven global digital transformation capabilities and transportation sector expertise align with WiseTech’s technical innovations design and man-

age the movement of goods and data across the world’s supply chain on a single platform. As a CargoWise Service Partner, TCS will be able to help CargoWise customers be more efficient, secure, and productive by operating in a seamless global environment.”

WiseTech Global’s customers include 18,000 of the global logistics firms across 170 countries, including 41 of the top 50 global third-party logistics providers and 24 of the 25 largest global forwarders worldwide. 🌐

WiseTech Global customers include 18k of the logistics firms across 170 nations, including 41 of top 50 third-party logistics providers



Freighter alliance to expand network in MENA

Agreement, which sees ACN become a major investor in MAE Aircraft Management with a 49% stake, was signed at Bahrain International Airshow. The pact is expected to take shape in the next year and a half, with B737-800F and B767-300F aircraft to arrive within two months.

CT Bureau

Singapore-based charter services provider Asia Cargo Network (ACN) and Bahrain's MAE Aircraft Managements have signed a strategic alliance serving the Middle East North Africa (MENA) region, according to reports.

Under the pact, ACN will base six of its freighters in Bahrain and the Gulf Cooperation Council (GCC). The understanding is expected to take shape in the next year and a half with the first aircraft to include a B737-800F and B767-300F, due to arrive within the next two months, and to begin operations immediately.

ACN's aircraft and MEA's existing Boeing 737-300 converted freighter will expand the operational fleet within the MENA region.

The agreement, which sees ACN become a major investor in MAE Aircraft Management with a 49 per cent stake was signed at the Bahrain International Airshow by Dr. Mohammed Juman, Founder and Managing Director, MEA, holding company MENA Aerospace, and Marco Isaak, Founder and Group CEO, Asia Cargo Network



Group. ACN's investment in MAE Aircraft Management comprises a mixed contribution of capital, asset deployment, management services and expertise.

Dr. Juman said, "As part of our growth plan, over the past couple of years we looked at and analyzed the regional markets to see where the growth is and where the gates are to the global markets. "The growth and potential we saw is in the GCC area, Africa, and Southeast Asia. Our thought process was to try to link and serve these markets.

"ACN as the leading freight cargo operator in Southeast Asia was identified as the perfect partner to expand our services in these markets. We are certain that this partnership will prove fruitful to both

companies and the markets that we serve."

ACN Group Chief Executive Officer, Marco Isaak said, "We are incredibly proud of this milestone for ACN as we expand our operations into the MENA region. Our partnership with MAE is a testament to our commitment to excellence, and we look forward to cementing our reputation as a global player."

The partnership operations will be under the MENA Cargo brand, the freight cargo subsidiary of MAE. The operations will be fully managed by ACN moving forward as it holds an AOC in Bahrain which allows for the expansion of routes to the MENA region. ACN will provide all the necessary support for the operational and strategic growth of the airline. 🇲🇦

The growth and potential we saw is in the GCC area, Africa, and Southeast Asia. Our thought process is to try to link and serve these markets

More Qatar Cargo freighter services to Riyadh

Qatar Airways Cargo has stepped up capacity offering in the Middle East with the launch of a twice-weekly B777 freighter service to the neighbouring Saudi Arabian capital city of Riyadh. The new freighter frequencies, which proffer up to 100 tons per rotation, will increase the Doha-based airfreight division's belly-hold and main deck capacity to Saudi to a total of 900 tons a week. Qatar Cargo, which serves Riyadh, Jeddah, Dammam, Qassim and Medina with 96 passenger flights weekly, is set to increase its frequencies to Kuwait from 37 to 39 and from eight to 10 for Muscat by adding two A310Fs weekly.



Emirates increases flights on Latin American network



Emirates has resumed its flights to two South American destinations, Rio de Janeiro and Buenos Aires, previously suspended due to the pandemic. The resumption of Emirates SkyCargo flights will facilitate trade between Argentina, Brazil and the rest of the world. The Boeing 777 aircraft accommodates a cargo capacity of 20 tons per flight to ferry goods from Argentina and Brazil to consumers in the Middle East, Europe, and other markets, while supporting import of essentials.

51st UAE Flag Day celebrated



Sharjah Airport Department of Civil Aviation and Sharjah Airport Authority celebrated the 51st UAE Flag Day on November 3, 2022, in the presence of His Excellency Sheikh Faisal Bin Saoud Al Qassimi, Director, Sharjah Airport Authority, and H.E. Sheikh Sultan Bin Abdullah Al Thani, Director, Department of Civil Aviation, representatives from government and private sector organisations, and employees. The celebration marks as a symbol of loyalty to the nation and provides an opportunity for the people to reiterate their commitment to the country.

DHL is panel sponsor of Abu Dhabi Air Expo

DHL Express, recently took part in the Abu Dhabi Air Expo, believed to be the 'think tank' of the aviation and aerospace industry. The high-level conference featured a lineup of industry thought leaders, C-Level speakers and panelists, and aviation and logistics stakeholders. They convened to discuss the future of air cargo, global best practices, and innovations. DHL sponsored a panel discussion titled, 'Growth and future of air cargo', which highlighted the air cargo's role. Bachi Spiga, Head of Operations for DHL Express MENA, was joined by important industry experts.



Qatar Cargo launches freighter service to Saudi Arabia



Qatar Airways Cargo has launched a new freighter service to Saudi Arabia as it looks to capitalize on demand to/from the country. The new twice-weekly freighter service to Riyadh began on November 1 and will utilize a B777F offering 100 tons of capacity per flight. The service is in addition to bellyhold ops, covering 96 flights per week.

DHL report show air cargo in flux



DHL Global Forwarding's latest Airfreight State of the Industry report, covering October has illuminated the vagaries of what is currently an unstable air cargo market. The report found airfreight volumes as a whole remain somewhat suppressed, with demand continuing to remain low on most trade lanes, although transatlantic volumes are comparatively strong.

Vietnam's IPP Air Cargo cancels launch



IPP Air Cargo has been cancelled its launch of its aircraft. In August, it was confirmed GAMECO was carrying out conversion work on two Boeing 737-800BCFs and there were plans for a fleet of 14 freighters, but the plan was cancelled. IPP Chairman J. Hanh Nguyen as having the view that current "international turmoil" would increase demand for air cargo.

8 IAG Cargo looks to returning South America flights



IAG Cargo is expected to offer capacity on two flights from Iberia's passenger operation between Madrid Barajas Airport and Caracas in Venezuela and Rio de Janeiro in Brazil. The returning flights will start in November and will operate three times a week. The service to Caracas will utilize the bellyhold of an Iberia A350 aircraft and an A330-200 will be used to Rio de Janeiro. IAG Cargo said the flights would facilitate movement of perishables and popular foods grown locally.

Maersk Air Cargo operates its inaugural flight

Maersk Air Cargo, the air freight arm of the global integrated logistics solutions provider, A.P. Moller – Maersk (Maersk) said on Friday it plans to launch a new route between Greenville-Spartanburg, South Carolina and Incheon, Korea on 31 October, marking the new cargo airline's first operation. The Maersk Air Cargo aims to reinforce its position as an integrated logistics solution provider, by offering customers end-to-end air freight services through its controlled capacity.



10 Air France-KLM Group sees TQ drop in cargo revenues

Air France-KLM Group saw a small drop in cargo revenues in the third quarter but maintained steady cargo yields. The group recorded total cargo revenues of €830m in the third quarter of 2022, which was a 0.6% drop from the year before. However, total cargo revenues in TQ of 2022 were 61 per cent higher compared to 2019. The return of belly capacity with increased passenger flights saw cargo capacity rise by 15.7 per cent.



Movements



SKYTEAM CARGO Saudi Arabia

★ **Teddy Zebitz**, CEO, Saudi Cargo was re-elected to head the global cargo alliance, SkyTeam Cargo's Executive Board for a second consecutive term at the alliance's meeting in London. The SkyTeam Cargo alliance comprises 10 member airlines, including Air France-KLM Cargo, China Cargo Airlines, Delta Cargo, Korean Air Cargo, and Saudia Cargo among others. Zebitz said he is honoured to be re-elected to head the Cargo Executive Board, adding, "We are proud of how much we have accomplished and have set strategic goals in place for the near future."



AVIANCA Colombia

★ **Gabriel Oliva** has joined as the new Executive Vice President of Avianca and Director of Avianca Cargo. He will be responsible for Deprisa—Avianca's e-commerce logistics platform—and will have a seat on the management team of the holding. Oliva has 20 years of experience in executive positions in various industries, and 10 in the aviation sector. In his most recent role, he held the position of Senior VP for North America, Europe, and Asia-Pacific, LATAM Cargo. Oliva assumed his position as on August 18, 2021.



HLT USA

★ **Terry McGregor** joins HLT as Senior Product Manager as part of a wider strategy to grow the company's senior leadership team to strengthen technical expertise at the top level. McGregor will lead customer operations in the UK and spearhead the development of a suite of products to digitalize and streamline air cargo ops. McGregor brings 15 years of product management experience to the position, having overseen the development and launch of several products and worked in Genius Sports, Betfred and Ladbrokes.



HELLMANN WORLDWIDE LOGISTICS Germany

★ **Friederike Prasuhn** has been appointed as its chief people officer by Hellmann Worldwide Logistics. The position is effective 1 October 2022. Prasuhn served the company on an interim basis since 2020. In addition, he holds a permanent place on the German logistics provider's International Executive Board. Prasuhn, who has been with Hellmann Logistics for more than 12 years, took over the learning and development department's global leadership in 2018 before being appointed as the interim chief people officer.



FEDEX EXPRESS KOREA Seoul

★ **Wonbin Park** has been appointed as as managing director, effective 1 October, by FedEx Express Korea. Park will oversee market strategy, leading a team of more than 1,100 employees. He succeeds Eun-mi Chae, who retired after 31 years with the company. Park has spent more than 10 years with FedEx, where he has played key roles in the company's Incheon International Airport (ICN) Gateway relocation, as well as the launch of the 777F connecting the FedEx World Hub in Memphis International Airport (MEM) to ICN.



WIZ USA

★ **Amalraj Yetukuri** has joined as the Vice President, Corporate HR, WIZ, a tech-enabled digital cross-border supply chain giant. Amalraj brings 25 years of extensive experience in human resources, employee experience, mergers and acquisitions, and operational excellence. In his new role, he will oversee all aspects of human resources and implement strategies to develop and promote best practices in HR management, operations, organisational development, talent management, and talent acquisition.



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