

„Air Cargo requires ideal infrastructure for a successful future“



The industry is campaigning for the air cargo location Germany. The fourth conference of experts regarding the topic air cargo took place in Munich and was organised jointly by the Federation of German Industry (BDI), the Federation of German Aviation Industry (BDL) and the German Freight Forwarding and Logistics Association (DSLV). The picture shows from left to right: Matthias Krämer (BDI), Michael Hoppe (BARIG Secretary General), Markus Otto (EAT European Air Transport/DHL), Matthias von Randow (BDL), Henning Dieter (DSLV), Anke Giesen (Fraport), Dr. Michael Kerkloh (Munich Airport), Peter Gerber (Lufthansa Cargo) and Johannes Jähn (Central German Airports).

If Germany wants to maintain its status as the world's leading export nation, this is only possible with a suitable logistics infrastructure. Accordingly, the air cargo business in Germany is in need of locations that are allowed to develop dynamically – if this is not the case, then logistics routes will evade Germany and increasingly shift to airports in neighbouring countries that are already today equipped with far better framework conditions.



The panel discussion at the cargo conference of experts in Munich with (from left to right) BARIG Secretary General Michael Hoppe, Dr. Michael Kerkloh as Chairman of the German Airports Association (ADV), Franz Josef Pschierer, state secretary of the Bavarian Ministry of Economics, and Matthias von Randow (Executive Director, BDL).

BARIG underlined this in all clarity at the fourth industry meeting regarding air cargo in Munich in the presence of high-ranking representatives from politics and economy. In BARIG more than 30 airlines have an own freight division at command. At the same time there are around 50 cargo delegates in the association contributing their expertise in the air cargo field. BARIG's Cargo Committee as well as the BARIG & DSLV logistics forum are both involved in different working groups covering numerous topics of great relevance for airlines.

“Without a perfectly working infrastructure air cargo has no future in Germany. A rapid enhancement and optimisation of infrastructure is urgently required. Further obstacles shall not be placed in the path of airlines. New bans on night flights, additional noise intermissions or noise ceilings imply obvious and more operational restrictions for airlines harm the business location Germany,” explains BARIG Secretary General Michael Hoppe.

The air cargo location Germany in the heart of Europe traditionally plays an important role. This however is in danger of diminishing. For many forwarders it is of no relevance whether goods are transported via Germany or airports in neighbouring countries. The cost advantages in foreign countries compared to Germany, combined with a less tedious bureaucracy in many places, are often “so massive that it even seems to be economically attractive to transport goods to an airport in a neighbouring country by truck and further forward it from there as air cargo,” Hoppe states. Also in transit good traffic Germany is on the verge of losing ground. Due to an increasingly improved infrastructure at many international airports, goods that are for instance on their way from the Far East to Europe or Africa must not necessarily be forwarded via a centrally located airport in Europe.

BARIG's standpoint is clear: the Infrastructure for air cargo and logistics in Germany must be further optimised and organised more efficiently. Large infrastructural projects at airports shall no longer be delayed but rather tackled consequently. BARIG Secretary General Hoppe says, “If we miss out on laying the fundament for a prosperous future today, Germany will continue to lose ground in international competition, thereby putting its important position in scheduled, charter and cargo flights at risk. This in return would have serious consequences for economy, jobs and consumers.”

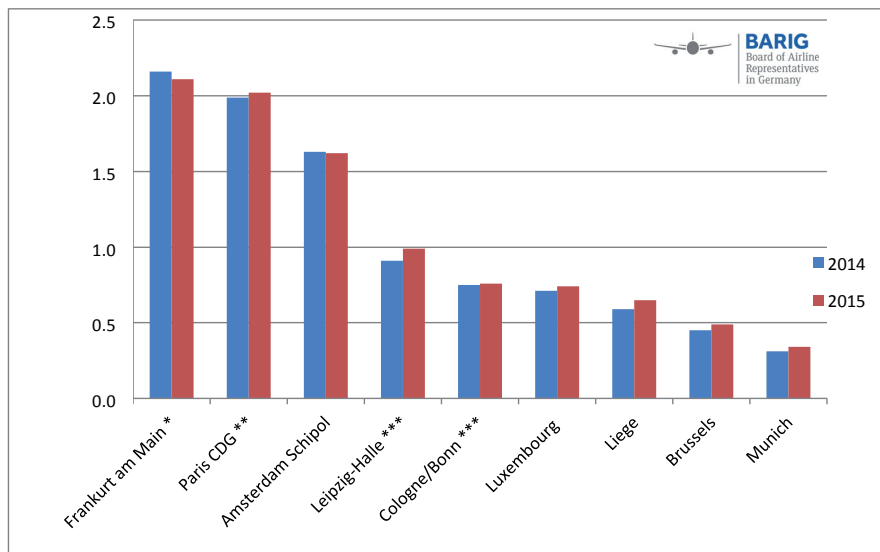


Over 100 guests from politics, economics, associations and institutions attended the fourth air cargo industry event in Munich.

Location initiatives strengthen airlines and airports

In order to strengthen individual air cargo locations in Germany, BARIG is inducing additional regional initiatives aimed at securing growth and enhancing Germany's position towards competitors from neighbouring countries. A good example is the Air Cargo Community Frankfurt, a coalition of firms, institutions and associations with the clear goal of fostering the air cargo location Frankfurt. The list of over 40 members includes representatives from all areas of the air cargo process chain. This community of interests is equipped with different professional groups, altogether depicting the complete range of services offered at the freight location Frankfurt. The mutual aim is to strengthen Frankfurt airport in its position as number one in the European air cargo business and leading cargo hub. In the community's board BARIG represents the interests of the around 100 national and international airlines that are combined in the association.

Development of air cargo at European airports from 2014 to 2015



(millions of tons)

* Frankfurt including 81,165 tons of airmail (2014) respectively 83,718 tons (2015)

** Paris including 200,330 tons of airmail in 2015

*** successful integrator airport

(Sources: BARIG research)

E-Commerce boosts air cargo

The global air cargo traffic shall record yearly growth rates of 5.97 percent until 2019. This is predicted by the American market research company SandlerResearch in a released study. Especially e-commerce is expected to provide impulses in the cargo business. Furthermore, airlines themselves are likely to contribute to the burst of growth. They are looking for new strategies and source markets and are respectively developing new ways to generate proceeds. High-end electronic goods in particular, as well as fashion, trend and lifestyle articles that can be ordered online will add to the upward trend in air cargo according to Sandler-Research.



81.114 Euros...

... is the average value of one ton of air cargo. Truck transport records a value of 2,820 Euros per ton, the average value in ship traffic amounts to 1,978 Euros and in rail cargo it is 1,166 Euros.

(Source: BDL)

Global battle over tonnage

The air cargo business is currently fiercely contested – here a contemporary comparison on global level. Among the 20 most important cargo airports in the world (based solely on the freight volume excluding airmail) are only four European airports, namely Frankfurt occupying the ninth place, Paris ranks at fifteen and Amsterdam at seventeen followed by London-Heathrow.



Pole position: Hong Kong International Airport is the number one cargo airport in the world.

Hong Kong continues to lead the world ranking list of cargo airports with 4.4 million tons of freight volume, followed by Memphis and Shanghai Pudong. This top-ranking trio could only record mode-

rate growth in 2015. However, there are also airports with large growth rates. Doha in Qatar for example has increased its volume aggressively by 46% within one year (from 2014 to 2015) and registers a freight volume of 1.45 million tons already today. Chicago also grew by a double-digit figure of 10% in 2015 to 1.8 million tons. Dubai International Airport already reaches 2.5 million tons of cargo, which presents an increase by 4.5% compared to 2014. The neighbouring airport Al Maktoum International is enhancing its cargo volume as well and could achieve an increase by 13% to almost 900,000 tons (2015). Frankfurt on the other hand is stagnating at slightly over two million tons and growth rates less than one percent.

From Germany's point of view the development of airports in the neighbouring European countries is especially important. The strongest competitors are undoubtedly Amsterdam, Paris, Brussels, Luxembourg and Liège. Competitor Amsterdam for example has recorded a notable increment by 6% within the first half of 2016 after a year of stagnation in 2015. Luxembourg enhanced its volume by around 4% and Liège could even gain the status as Belgians number one cargo airport with around 650,000 tons. (Sources: BARIG research)

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