



ICAO Air Cargo Development in Africa

The Relationship Between Air Cargo and International Trade

ECOBANK Conference Center

Lome – Togo

5 August 2014



Air Cargo and International Trade



“Freight Forwarders account for a large segment of all shipments transported by air and constitute a critical element for strengthening the air cargo supply chain around the world.”

Raymond Benjamin, Secretary General of ICAO - July 2011



Air Cargo and International Trade



Founded in 1926 Vienna, Austria

Headquarter in Zurich, Switzerland

Members in over 160 countries

The largest international nongovernmental organization representing service providers in international trade logistics and supply chain management in **ALL** modes of transport



Air Cargo and International Trade



FIATA - Represents

An industry that handles in excess of 85% of all international air freight.

Represents over 40,000 companies

Employing more than 40 million personnel



Air Cargo and International Trade



Forwarders are Logistics Professionals

Tasked to organize the movement of goods

Experts in Supply Chain Management

Contracting with Carriers and Warehouses

Specialists in Expediting Customs Formalities

Trained to ensure the safe transport of goods



Air Cargo and International Trade



Volcanic Ash Leaves Store Shelves Empty



Air Cargo and International Trade



A World Bank study stated;
Africa is home to 12% of the world's people, but it accounts
for less than 1% of the global air service market.



Air Cargo and International Trade



- **Realities**
- African air cargo growth to exceed global average
- Low connectivity between countries
- Poor inter-regional trade links
- 16 countries are landlocked with transportation costs double or more than countries with sea ports



Air Cargo and International Trade



- **Realities**
- Non-Tariff Barriers – Licenses Quotas Restrictions
- Roads and Airports Require Upgrading
- Aviation Policies Outdated
- Language barriers
- Shortage of skilled workers



Air Cargo and International Trade



- **Solutions**
- Growth requires dialogue and partnership
- Regional standardization of air cargo handling and customs formalities
- Build air cargo hub and spoke networks
- Reduce protectionism and Non-Tariff Barriers



Air Cargo and International Trade



- **Solutions**
- Encourage competition and professionalism
- Privatization of cargo ground handling services
- Government policy change, allow fifth freedom
- Develop better training programs



Air Cargo and International Trade



Region Africa Middle East **CONFERENCE 2014**

Networking for successful inter-regional trade through partnerships

Air Cargo and International Trade



Addis Ababa



Dar es Salaam



Air Cargo and International Trade



Doc 9284
AN/905



ICAO FIATA Dangerous Goods Training Programme

Technical Instructions for the Safe Transport of Dangerous Goods by Air



Air Cargo and International Trade



Infrastructure, regulation and high costs are the biggest impediments to the growth of the air freight industry in Africa



Getting the Most Out of the Air Cargo System



Thank You

International Federation of Freight Forwarders
Associations

William Gottlieb
Past President