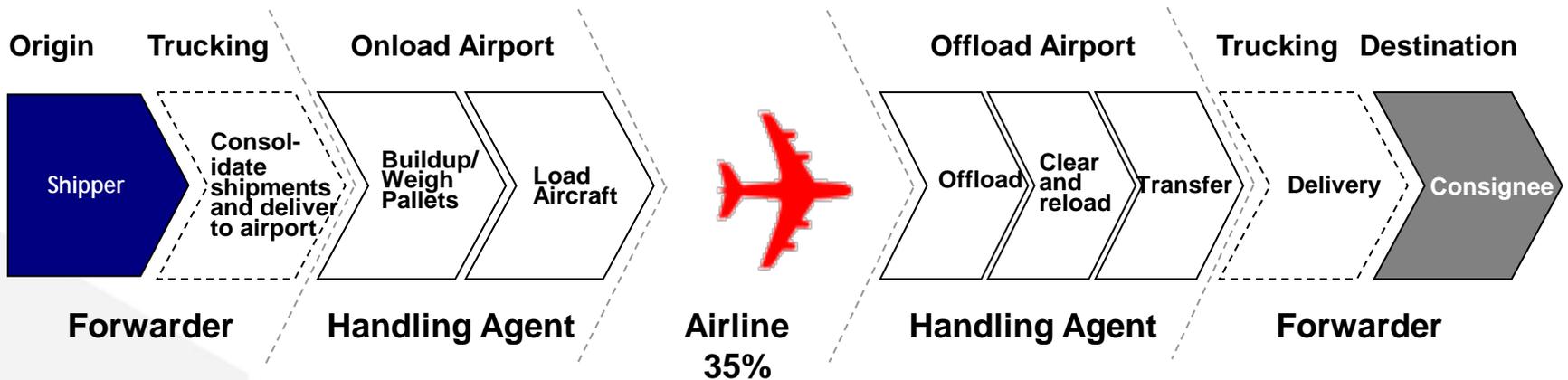




- *What challenges must be met to ensure that **all** participants benefit from cargo liberalization? How to ensure that air cargo complies with the need for efficiency and security, while moving towards paperless operations from both airline and airport perspectives. Which lessons should be learned from African integrators? How to facilitate intermodal transportation? Which mechanisms can ensure that sufficient infrastructure is available to accommodate air cargo growth? At what point does taxation become counter-productive? How to ensure that sufficient training infrastructure is available to address air cargo personnel requirements in Africa?*
- The past ICAO discussions on this topic, headed more in the direction of Liberalization for the Air-Carrier, and mainly the Air Traffic Agreements, or Open Sky policy for carriers => **yes! I like that**
- However the topic and wish is , to analyze what benefits ALL participants in the transport chain can obtain if all challenges are ironed out...

# Air cargo in the procurement chain (96hrs)





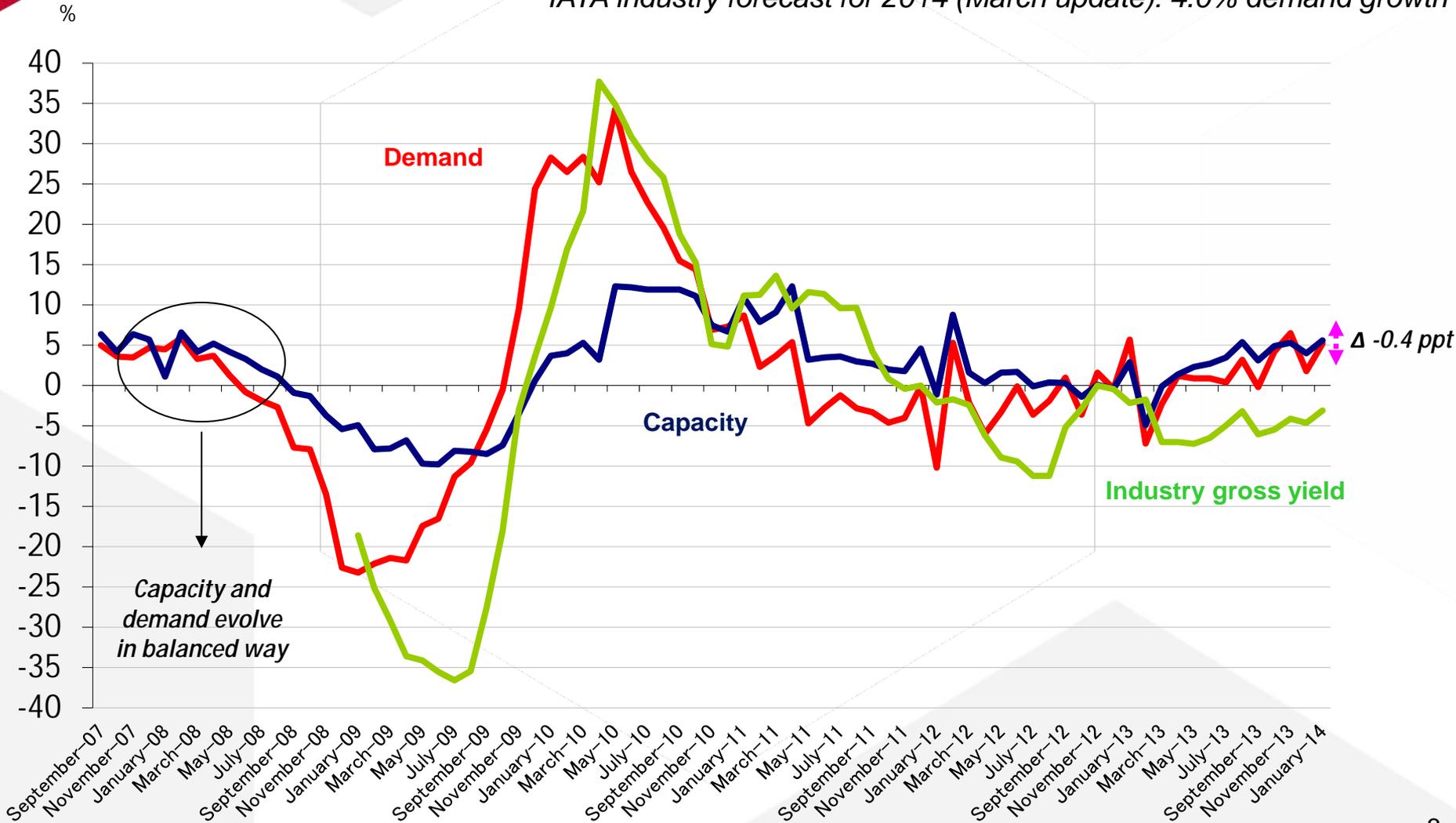
# International FTK versus AFTK monthly year-on-year growth (%)

2013 vs. 2012 market FTK performance: +1.2%

2013 CV FTK performance: +19.2%

During the same period capacity (AFTK) expanded by 2.6%

IATA industry forecast for 2014 (March update): 4.0% demand growth



## Benefits to the airline?



Ø *IATA*:

- ... the ( Air Traffic) Liberalization can bring benefits to consumers through lower price offers, increased choices and improved products and service quality.
- The airline's need is cost efficiency, improved profitability and market value

## What about ALL participants :

∅ *Too many additional hurdles:*

- Securisation processes, screening, security acceptance, exportation taxes...
- Customs inspections, copyrights, documentation checks, Phyto/Vet: hard copy obligations, VAT...
- *Supply chain becomes rather longer and costlier, than reduced costs and time*
- *Unfair that the pressure lies on the Carrier only*



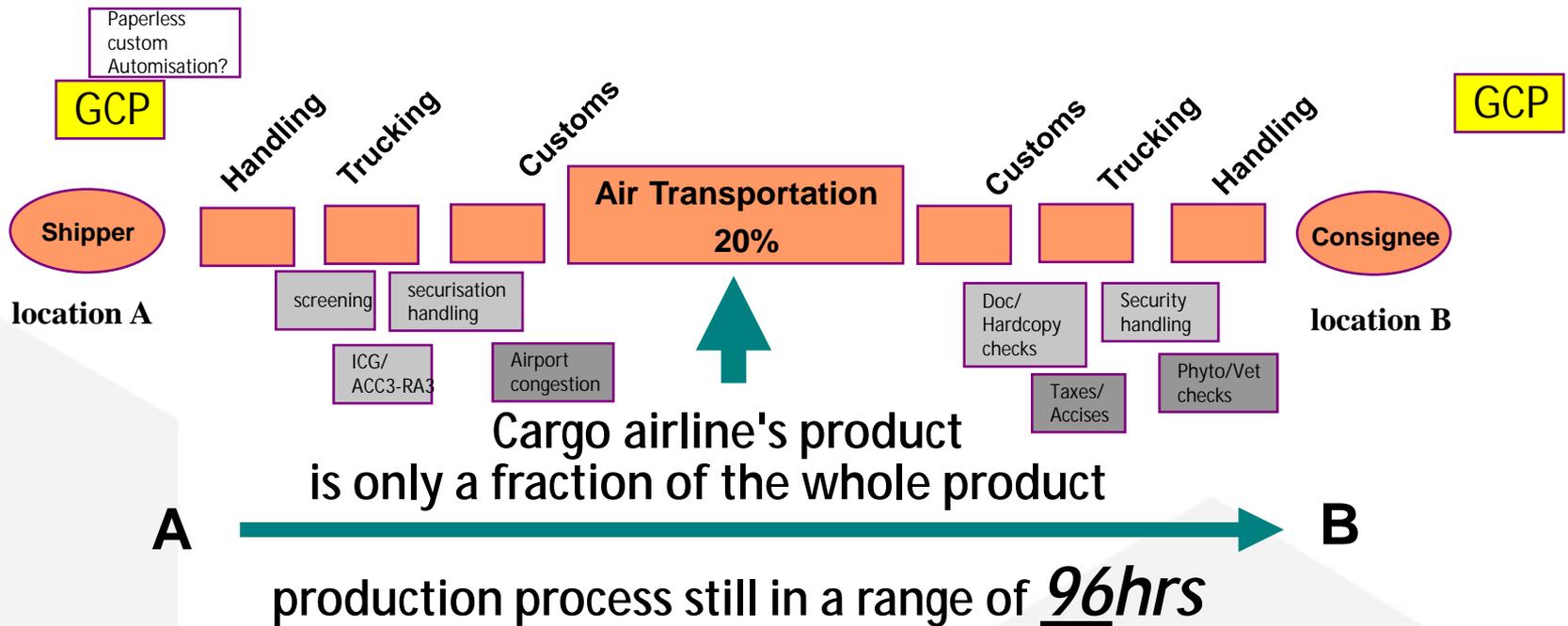
## Question :



Ø Why is General Cargo threatened differently than an individual Parcel/Mail, or

Ø Why does it work with EXPRESS courier and not with General Freight

# ? Can an Airline survive on General Cargo and in this environment ?





- THANK YOU