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ACSCC Report – IATA World Cargo Symposium

Abu Dhabi – March 14-16, 2017

20APR17

IATA World Cargo Symposium

Overview

Courtesy of IATA

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IATA World Cargo Symposium

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IATA World Cargo Symposium

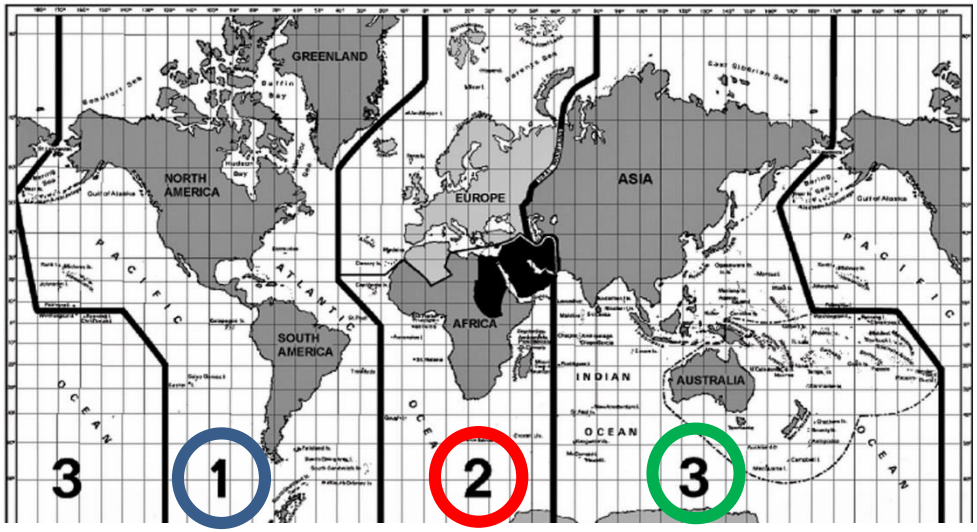
Overview

- 11th Annual World Cargo Symposium held in Abu Dhabi – March 14-16, 2017
- Premier international air cargo event that attracts over 1,000 delegates from airlines, airports, freight forwarders, shippers, posts, government authorities, ground handling agents, global sales agents, IT service providers, and association partners
- Symposium Theme: Transform Today: Shape Tomorrow

IATA World Cargo Symposium

Overview - IATA Traffic Conference Areas

- 2018 – (scheduled) – Dallas
- 2017 – Transform Today, Shape Tomorrow – Abu Dhabi
- 2016 – The Value of Air Cargo – Berlin
- 2015 – Improving the Customer Experience – Shanghai
- 2014 – Transformation through Innovation – Los Angeles
- 2013 – Action for Sustainability – Qatar
- 2012 – Partnership at Work – Kuala Lumpur
- 2011 – Connecting the World – Istanbul
- 2010 – Bounce Back: Rebuild the Future – Vancouver
- 2009 – Delivering in Turbulent Times – Bangkok
- 2008 – Focus on the Customer – Rome
- 2007 – Focus on Simplicity – Mexico City



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11th Annual World Cargo Symposium held in Abu Dhabi – March 14-16, 2017

Symposium Theme: "Transform Today: Shape Tomorrow"

» Format:

- Day 1: Plenary Session
- Day 2: Multiple Topic-specific Tracks
- Day 3: Multiple Topic-specific Tracks + Closing Plenary

» Track Topics:

- Cargo Border Management
- Cargo Facility of the Future
- Cargo Operations/Handling
- Cargo Security
- Dangerous Goods
- Digital Transformation
- E-commerce
- Fighting Back to Profitability
- Live Animals
- Perishables
- Pharmaceuticals
- Smart ULD

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Symposium Theme: “Transform Today: Shape Tomorrow”

» **Additionally: Workshops and Closed Industry Meetings March 13 - March 17:**

- Cargo Executive Summit
- Future Air Cargo Executives Summit
- Cargo Committee
- CargoIQ Board
- IATA/UPU Contact Committee
- Customs Advisory Group
- Cargo Security Task Force
- CEIV Pharma Workshop
- Cargo Handling Consultative Council
- Piece Level Tracking Task Force
- …and more!

Plenary Topics – IATA Director General/CEO Alexandre de Juniac

» Remarks: The State of the Industry

- …time of cautious optimism…after several years of virtually no growth:
  - Freight volumes began to grow in the second half of 2016
  - January 2017 demand rising nearly 7% over the previous year
  - Export orders are strong
  - E-commerce, which depends heavily on air cargo, is growing at a double digit rate
  - High-value specialized cargo is also showing great potential.
    - The total global pharma market is expected to reach $1.12 trillion by 2022
    - Currently $12 billion is spent worldwide on cold chain biopharma logistics. By 2020, it is estimated that this will rise to $16.7 billion

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Plenary Topics – IATA Director General/CEO Alexandre de Juniac

» Remarks: The State of the Industry

- BUT:
  - We are still in a very tough business…yields are under lots of pressure
  - Airlines are taking delivery of long-haul aircraft to meet growing passenger demand capacity
  - we must all be concerned about the protectionist rhetoric that is spreading
  - customers…are frustrated with complicated and convoluted paper-based processes that belong in the 16th century…they want simple modern, electronic processes
  - customers… want high quality cutting-edge services…market expectations are evolving
- Challenges:
  - We are highly regulated--so governments must be on-board with change
  - we are a complex value chain, so building industry consensus is critical

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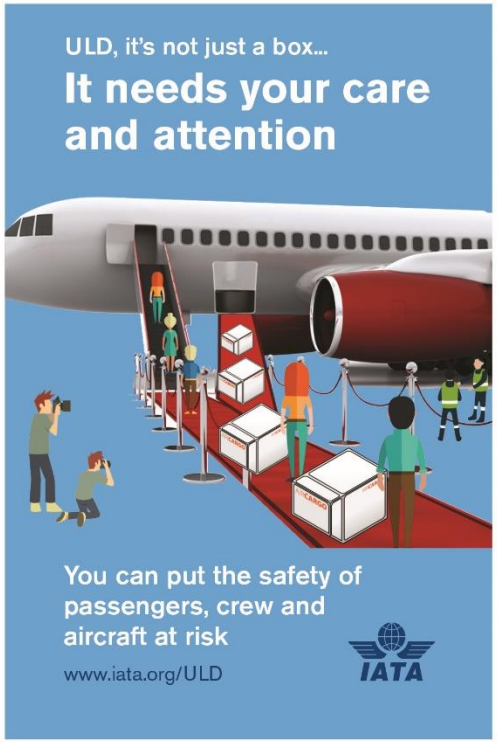
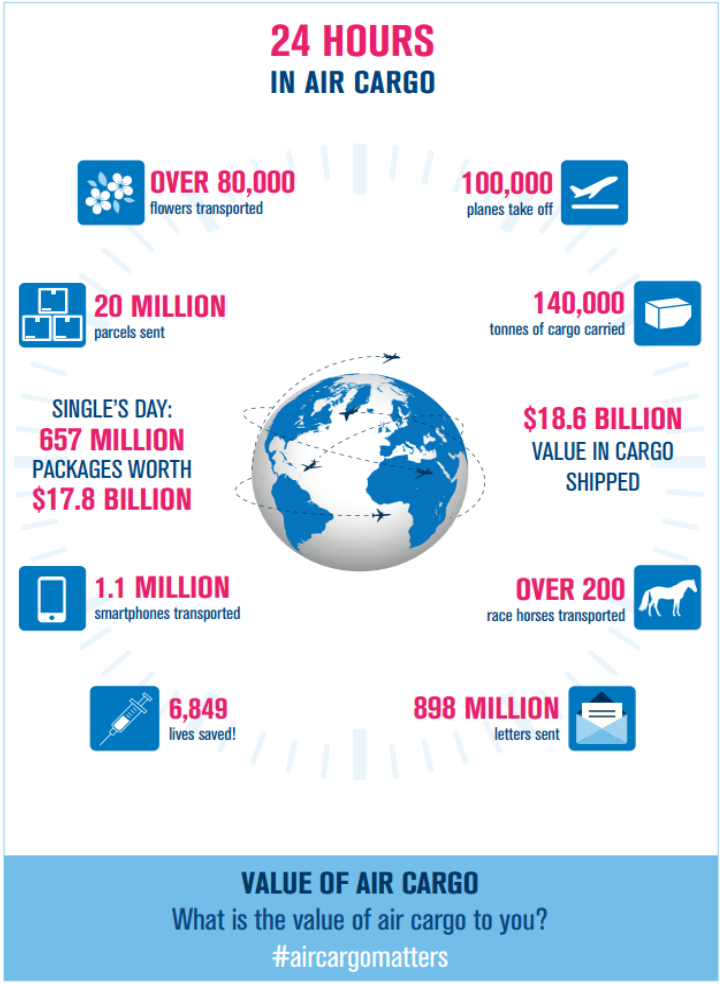
Plenary Topics – IATA Director General/CEO Alexandre de Juniac

» Remarks: The State of the Industry

- Three areas where we are working with our government partners for implementation of global standards:
  - the Montreal Convention 1999 (MC99) creates a common and modern liability regime for aviation (and) includes provisions for the acceptance of digital documentation —ratification by governments is a critical perquisite for the e-AWB (124 countries)
  - we ask our government partners to adopt revisions to the Kyoto Convention of the World Customs Organization, which facilitates smart border solutions that reduce complexity and cost
  - request for quick implementation of the World Trade Organization's Trade Facilitation Agreement, which will make trade cheaper, faster and easier
- We recently made a critical breakthrough on one of our most important industry partnerships. IATA and FIATA reached an important agreement on a new jointly-managed IATA FIATA Air Cargo Program (IFACP)

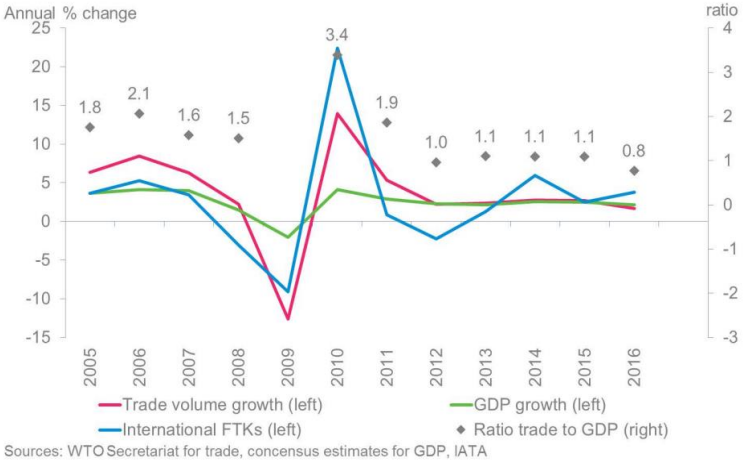
Other Plenary Topics: – ULD Safety Campaign – Value of Air Cargo – E-AWB – GACAG – IATA Cargo Handling Manual – IATA-FIATA Air Cargo Program (Agency Program Modernization) – Wildlife Trafficking – Air Cargo in UAE – China's New Silk Road (One Belt, One Road)





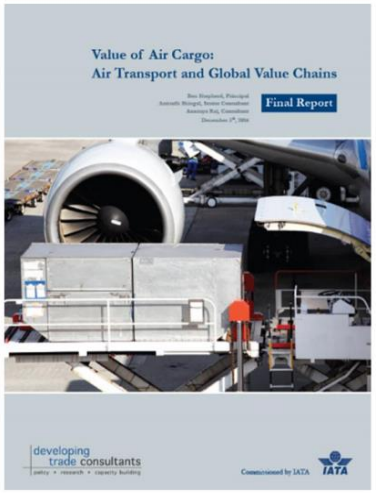
Plenary Topics – Economic Outlook

…but air cargo outperforms



Sources: WTO Secretariat for trade, concensus estimates for GDP, IATA

Strengthening trade competitiveness with air cargo and smart borders



Source: IATA

NEW RESEARCH

Value of Air Cargo:
Air Transport and
Global Value Chains

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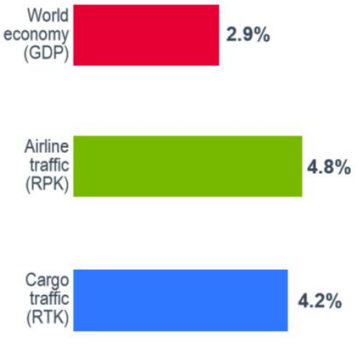
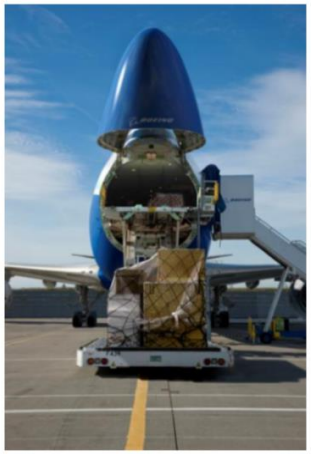
Plenary Topics – Freighter Fleet Evolution - Boeing

Boeing 20-year market outlook

2015 to 2035





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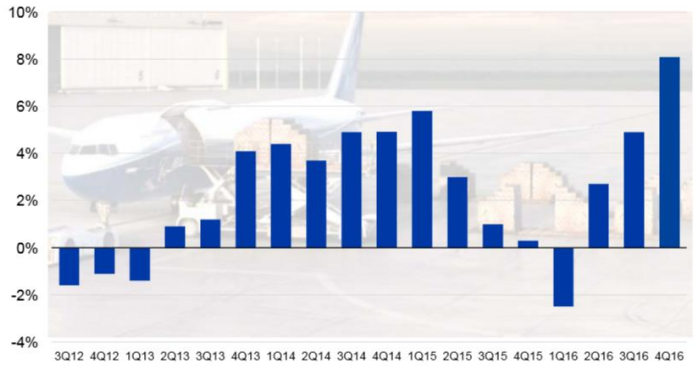
Air cargo demand recovering since 1Q 2016

Year-over-year RTK growth



Sources: IATA Carrier Tracker (industry international scheduled freight) and A4A US domestic cargo traffic)

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Questions?

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