

How air cargo is responding to climate change

28 / 09 / 2021

By Damian Brett



In his latest column, Brandon Fried, executive director of the US Airforwarders Association, reports on a recent survey they carried out to find out how the air cargo industry is responding to climate change.

Aviation has been essential in powering progress, expanding horizons, creating opportunities, and facilitating commerce between countries.

The ability to quickly transport ourselves and our belongings safely and efficiently is a testament to the success of the airline and aviation industry.

However, the carbon emissions created by the industry are causing a greater issue. As of now, there is no single solution or entity that can deliver the reduction in greenhouse gasses needed to make a substantial impact.

Environmental sustainability advocates, including the airline and air cargo industry, welcomed US President Biden's recently announced goal of replacing all jet fuel with sustainable alternatives by 2050.

This initiative allows the Biden administration to set forth a plan to dramatically boost the production of fuels made from waste or plants to reduce the environmental cost of flying.

Many who fly cargo are banking on these fuels as a significant part of our industry effort to cut emissions and become carbon neutral by the middle of the century.

Freight forwarders are becoming involved in the environmental sustainability effort as well.

As the issue gains prominence throughout the supply chain, industry organisations such as the Airforwarders Association (AfA) are establishing working groups comprised of key players, including stakeholders such as airlines, trucking interest groups, and airports.

As part of its effort to learn about existing environmental conditions and industry initiatives AfA's environmental coalition issued a survey to its members and other stakeholder organisations.

They found that 60% of responding companies currently have sustainability programmes.

In addition, many want to learn more about best practices such as how to begin a program and where to find business partners to work collaboratively in addressing the carbon challenge.

Freight forwarders and their industry partners expressed several motivational factors in addressing climate change.

Some are responding to customer expectations that require transportation vendors to focus on sustainability. Others are concerned about supplier availability of industry vendors who can achieve future carbon savings goals.

Many expressed concern about increased legislation or requirements from the White House that build on the Biden plan, and create mandates and business constraints to further the concerted effort to address the challenge.

The government's new goal targets the annual production of 3bn gallons of sustainable fuels by 2030, which it says will enable a 20% cut in carbon emissions from flying.

This reduction would represent over a tenth of the fuel airlines consumed in 2019.

Airlines based in the US have recently set a target of producing 2bn gallons of alternative fuels by 2030 but have advised that doing so will take a concerted effort by many industries and government to achieve the objective.

Today, the prospects of switching to electric airplanes are limited, so the industry must rely on sustainable aviation fuel comprised of agricultural ingredients such as fat, oil, and plant matter.

Current sustainable fuel alternatives require mixing with conventional jet fuel, but eliminating crude oil requires significant technological advances.

While burning these fuels still produces carbon dioxide, a complex analysis demonstrates that there are benefits compared to the burning of petroleum-based gas.

Unfortunately, the cost of these alternative fuels will likely restrict their adoption throughout the aviation industry.

Most of the existing sustainable fuel alternatives today can cost at least \$6 per gallon. But government subsidies must help in reaching the objectives.

This assistance should come in the form of substantial tax credits for fuels that reduce emissions by a considerable percentage, as well as support from grant and loan programs that encourage investments in new production facilities.

Many in freight transportation view the sector as literally a dirty industry – responsible for a significant share of carbon emissions in the air, maritime, trucking, and rail modes.

The criticism may be historically valid, but times are changing, and the business has shown a commitment to addressing the challenge of climate change.

First, however, it will need help to make a difference in reducing environmental emissions.

Companies themselves must focus on environmental sustainability by establishing in-house initiatives to address the situation.

They must also accept the responsibility of furthering the conversation by taking action such as joining industry organisational working groups and actively learning about successful best practices from relevant, practical resources.

Governments need to realise that sustainability goals are achievable by industry through federal informational programs and financial assistance.

Moreover, the goals should be measurable and achievable without punitive sanctions. Most importantly, no unfunded mandates should be imposed upon the industry, especially given the limited access to technology that allows organisations address the challenge entirely.

The Biden administration's existing goal of substantially cutting environmental emissions is laudable.

The freight forwarding industry and its partners are up to the challenge, but only with the government's help in reaching the goal.