

## IATA: Strong 2021 air cargo demand with constrained capacity

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*Willie Walsh. Photo: IATA*

Demand for air cargo in 2021 was strong but capacity was constrained, according to IATA.

Full-year demand for air cargo increased by 6.9% in 2021, compared to 2019 (7.4% for international operations) and 18.7% compared to 2020, following a strong performance in December 2021.

This was the second biggest improvement in year-on-year demand since IATA started to monitor cargo performance in 1990, behind 2010's 20.6% gain.

However, while global demand (measured in CTKs) rose, capacity (measured in ACTKs), was 10.9% below 2019 (12.8% for international operations).

Capacity remains constrained with bottlenecks at key hubs, said IATA.

Figures for December show global demand was 8.9% above 2019 levels (9.4% for international operations). This was a significant [improvement from the 3.9% increase in November](#) and the best performance since April 2021 (11.4%). Global capacity was 4.7% below 2019 levels (6.5% for international operations).

The lack of available capacity contributed to increased yields and revenues, providing support to airlines and some long-haul passenger services in the face of collapsed passenger revenues. In December 2021, rates were almost 150% above 2019 levels, said IATA.

Growth opportunities were hampered by bottlenecks in the supply chain. Labour shortages, partly due to employees being in quarantine, insufficient storage space at some airports and processing backlogs continue to put pressure on supply chains, added the trade

"Air cargo had a stellar year in 2021," said Willie Walsh, IATA's director general. "For many airlines, it provided a vital source of revenue as passenger demand remained in the doldrums due to Covid-19 travel restrictions. Growth opportunities, however, were lost due to the pressures of labour shortages and constraints across the logistics system. Overall, economic conditions do point towards a strong 2022."