

## IATA keynote: Harness air cargo's value and invest

27/09/2022

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*Source: IATA*

Air cargo has never been more valued and the industry must leverage this now to invest sustainably.

This was the message from David Shepherd, managing director of IAG Cargo, in his keynote address at the start of the IATA World Cargo Symposium.

“For too long we’ve heard the refrain in this industry that it’s too volatile, too asset heavy and too low margin for sustainable investment.

“These past three years have given us an opportunity and we must not fail to use it,” Shepherd stressed.

He said that even cargo businesses that sit within passenger airline groups are in a better position as a result of the role they have played transporting vital goods during the pandemic.

“We have a much stronger seat at the table now. Airlines understand the value of their cargo businesses like they’ve never done before, as they’re making higher returns than they ever have before,” he explained.

“The excuse not to invest in the future just simply isn’t there anymore.”

The air cargo industry is leading the passenger industry in aviation sustainability, he added.

He said that companies are collaborating well on Sustainable Aviation Fuel (SAF), while many companies are tackling single use plastics.

Companies should also look to invest in electrification, solar power – especially with the energy crisis that has emerged, sourcing better materials and fewer consumables in operations.

Shepherd noted that the air cargo supply chain is also making headway with digitalisation.

Changes in efficiency, effectiveness, and customer interaction are being sped up and improved.

But it is important not to lag behind other sectors: “Our industry is changing, although I’m not convinced it’s changing fast enough.”

He added: “It is critical for us all that the spirit of competition and restless curiosity drive us to create more ease and curiosity in the air cargo value proposition.