



Kale Info Solutions
Technology that Transforms



ClearView

A Kale Thought Leadership Summit for Air Cargo

June 20-21, 2024 | Cancun, Mexico

Key Excerpts from the Summit



Dear Industry Colleagues,

It gives me great pleasure to present to you the 'CLEAR VIEW' report. 'CLEAR VIEW—A Kale Thought Leadership Summit for Air Cargo' took place at Hilton Cancun, an All-Inclusive Resort in Cancun, Mexico, on June 20th and 21st, 2024.

It was a distinguished gathering of CXOs from Air Cargo Ground Handling, leading Airlines, renowned consultants and representatives from international trade bodies like TIACA. This edition of CLEAR VIEW focussed on five important aspects:

- **Air Cargo Industry - Collaborative Growth in the Air Cargo Industry:** The Vital Role of Partnerships and Airport Leadership
- **Assessing Cargo Handling Infrastructure and Regulatory Developments:** Current Status and Future Directions
- **Embracing Digital Transformation in Air Cargo Operations:** Strategies for Readiness and Innovation
- **Towards Sustainable Air Cargo Practices:** A Roadmap for Environmental Responsibility
- **Elevating Cargo Operations:** Lessons Learned and Innovations Post-Pandemic

The previous four editions of the CLEAR VIEW summit took place in Cape Town, Dubai, Athens, and Bangkok. These were great successes, with top executives attending from IATA, leading Airlines, Cargo Handlers, Industry Associations, Regulators, and prominent Industry Consultants from North America, Europe, Africa, and Asia. The summit had five power-packed and focused discussions, yielding meaningful insights into the present and future Air Cargo industry trends.

The CLEAR VIEW 2024 summit sessions were designed for professionals and stakeholders across the air cargo industry, including airlines, airport leadership, cargo handlers, regulators, and forwarders. The insights and discussions will benefit these groups by fostering collaboration, advancing technological adoption, addressing regulatory challenges, and promoting sustainable practices, ultimately enhancing operational efficiency and environmental responsibility.

This summit for the Thought Leaders of the air cargo industry is a platform to share their expertise and engage in focused discussions that go beyond surface-level issues to identify real-world solutions. We gather not to adhere to individual agendas but to exchange views and key learnings that will drive value and innovation for the future of the air cargo industry.

Best regards,

Amar More,

President - Kale Info Solutions

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Keynote Address

We gather at a time of profound transformation and unprecedented opportunities. Our sector has weathered a storm like no other, and as we emerge from the shadows of the COVID-19 pandemic, we find ourselves at a pivotal juncture. The pandemic challenged us in ways we never imagined, but it also demonstrated the resilience and critical importance of air cargo. Now, as we chart our path to recovery, we are witnessing a renaissance. Air cargo volumes are rebounding, driven by the resurgence in global trade and the rapid growth of e-commerce. This recovery is not just about returning to pre-pandemic levels; it's about building a more robust, agile, and sustainable future.

The pandemic accelerated the evolution of business models within our industry. Traditional sales channels have given way to digital platforms, enabling more efficient and transparent transactions. E-commerce, in particular, has seen explosive growth. Consumers' shift to online shopping during lockdowns has permanently changed buying habits. As a result, we are witnessing an increasing demand for faster, more reliable air cargo services. Our ability to adapt to these changes will define our success in the years to come.

Amid these shifts lie significant opportunities. Cross-border e-commerce is booming, presenting a tremendous opportunity for air cargo operators. We must streamline customs processes and enhance logistics capabilities to capitalize on this. Multi-modal transport, combining air with other modes of transportation, offers new efficiencies and environmental benefits. By investing in the right logistics infrastructure and adhering to stringent quality standards, we can solidify our role as indispensable partners in the pharmaceutical industry.

However, these opportunities are not without challenges. Regulatory changes, such as de minimis value adjustments, require us to stay agile and compliant. Geopolitical tensions can disrupt supply chains and create uncertainty. Navigating these complexities demands a proactive approach, constant dialogue with regulators, and strategic partnerships to mitigate risks and ensure continuity. Digitization is the cornerstone of our future growth. ICAO's Annex 9 on facilitation, UN Recommendation 33, and WTO guidelines pave the way for a more efficient and integrated global air cargo system. By embracing digital tools, from electronic documentation to AI-driven analytics, we can enhance our operational efficiency, reduce costs, and improve customer satisfaction. Artificial Intelligence, in particular, promises to revolutionize everything from demand forecasting to route optimization.

In this rapidly evolving landscape, collaboration is essential. The rise of integrators presents both a challenge and an opportunity. We can create a more cohesive and competitive ecosystem by fostering partnerships across the supply chain, from shippers to last-mile delivery providers. As we move forward, let us embrace these changes and challenges with optimism and determination. Together, we can build a future where air cargo thrives, innovates, and contributes to global economic growth.

Amar More



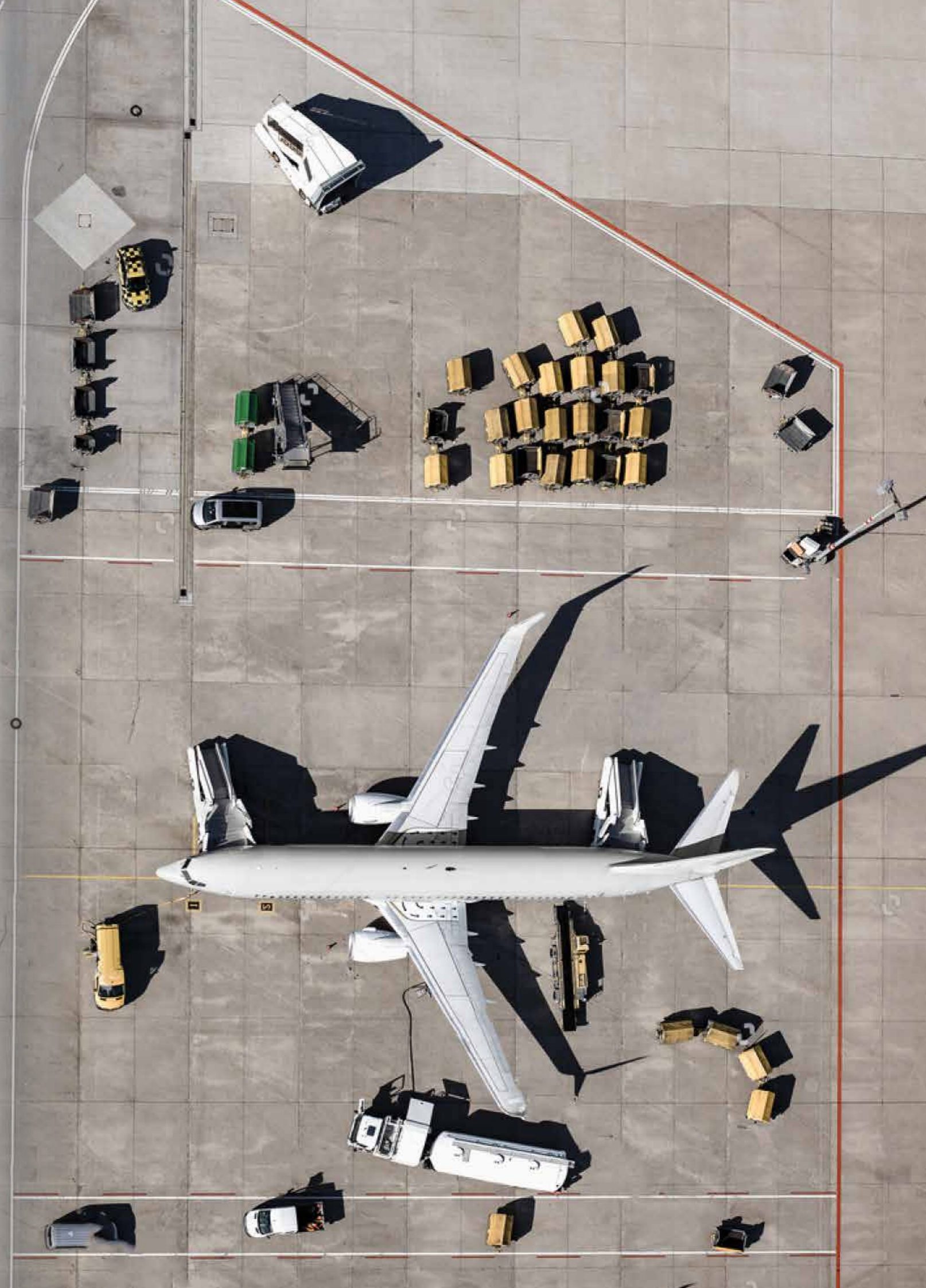
**MICHAEL WEBBER***President,
Webber Air Cargo*

During the session, the speakers highlighted specific statistics, such as the fact that only HKG exceeded 4 million tons, while MEM, PVG, and ANC each exceeded 3 million tons. It was also noted that MIA holds 82% of the air cargo market share from the US to Latin America. The importance of forming cultivation partnerships was stressed, along with the significance of communication and collaboration within the entire logistics supply chain, including airlines, cargo handlers, regulators, forwarders/brokers, truckers, and material vendors.

The discussion also delved into the significance of the top international gateways, which include MIA, LAX, ORD, and JFK. It highlighted the disparity between passenger and air cargo rankings at ATL due to the reduced number of cargo carriers operating there. The lack of communication in the initial stages was identified, emphasizing the imperative need for airports to communicate effectively with all stakeholders for success. Moreover, participants discussed the challenges associated with airport expansion and Requests for Proposals (RFPs), noting that these processes can take several years to materialize. The impact of short municipal oversight terms on these developments was underscored, creating the need for stakeholders to acclimate new administrations on the industry's needs, concerns, and potential solutions.

Additionally, the session shed light on the necessity for collaboration among various industry groups before the award of RFPs and the influence of regulatory policy changes, such as the upcoming negotiations regarding USMCA. The need for more education within the decision-making process in the cargo industry was also addressed, emphasizing the need for involvement from all levels, from CEOs to dock agents, in order to align operational needs and requirements.

Furthermore, the evolving impact of e-commerce on air cargo and the resultant challenges and opportunities for partnerships were discussed. The role of regulatory authorities, such as CPB Port Directors, in fostering partnerships and success was another key point of discussion, with specific examples of how different CPB Port Directors handle requests from air cargo handlers at various airports.





DONNA MULLINS
Vice President,
Kale Info Solutions

The session discussed the challenges facing air cargo infrastructure and the impact of regulatory developments. Donna Mullins highlighted that many air cargo buildings are outdated and cannot accommodate modern vehicles such as 53-foot tractor-trailers, which have become popular in the US since 1990. E-commerce has significantly influenced the development of cargo buildings, with the de minimis AWBs totalling 880 million in 2023 and reaching 615 million in 2024. Surprisingly, Amazon, Walmart, and The Home Depot are the top three US e-commerce users, prompting US airports to rethink cargo space usage and development.

The discussion also emphasized the vital role of regulations and recommendations in shaping development, processes, and procedures. There are 49 US government agencies with the authority to hold, release, or seize cargo, and cargo buildings must be equipped to accommodate examinations and inspections by these agencies. Additionally, agencies such as DOA, FAA, DOT, and FTA influence the layout of the building, plane landings, and the transportation of workers and cargo. Moreover, agencies like CBP, TSA, BIS, FDA, and USDA must have adequate space to screen and examine cargo.

The session also shed light on the efforts of the AFA and NCBFAA in addressing air cargo delays and airport congestion. These organizations conducted a survey of the US air cargo community, with over 300 replies identifying the top five focused areas: Technology and Automation, Service Standards, Airport Facilities and Infrastructure, Staffing and Hours of Operation, and Regulatory Agencies and Paperwork.

Based on this information, they prepared a whitepaper detailing these areas and recommendations for improvement. This led to the initiating of a GAO study in the FAA reauthorization bill for Congress to conduct an in-depth examination of air cargo operations and consider dedicated funding for the air cargo industry.





AMAR MORE
President,
Kale Info Solutions

The current state of air cargo faces several challenges, including specialized cargo handling, carbon footprint, facility limitations, cargo location, and multiple stakeholders in the supply chain. Despite technological advancements, the average transit time for air cargo has remained constant since the 1980s, with 85% of the time spent on the ground. This delay is attributed to congestion caused by factors such as simultaneous truck arrivals, paperwork processing, lack of awareness among handlers, and unprepared cargo for pickup. It's evident that technology and automation can mitigate these issues and enhance efficiency within the air cargo industry.

The environmental impact of air cargo operations is significant, with one gallon of fuel burning releasing 10,000 grams of CO2 into the atmosphere. Moreover, the excessive use of paper in the industry is both unnecessary and detrimental, as most of the required information can be electronically exchanged. Technology can play a pivotal role in reducing CO2 emissions, eliminating the need for excessive paper usage, and ensuring secure data exchange throughout the supply chain.

The adoption of electronic air waybills (E-AWB) is progressing, but there are challenges due to capital constraints and hesitance to embrace technology among some industry participants. Overcoming these barriers is crucial for driving the adoption of automation and technology. Additionally, compliance with regulations, such as PLACI and ACAS, necessitates the implementation of technology and innovation within the air cargo industry.

Digital transformation offers opportunities for improving supply chain resiliency through enhanced visibility and cargo security. However, mindset remains a significant challenge for the industry's digital transformation, as many stakeholders resist change. Overcoming the main challenges of mindset is crucial for successful digital transformation.

Conversations around sustainable air cargo practices, environmental responsibilities, cargo operations, and lessons learned highlight the industry's dedication to addressing these challenges.





KENT HINDES
Managing Director,
Cushman and Wakefield

MATHILDE DE ROCQUIGNY
Director,
Air France / KLM

In light of projected CO2 emission increases of 20% over the next 30 years without decisive action on sustainable fuels, Air France/KLM is taking noteworthy strides to address this pressing issue. A significant 20% of their fleet comprises new-generation aircraft, and they have integrated 87,000 metric tons of Sustainable Aviation Fuel (SAF) into their operations, representing 1.1% of their total fuel volume. Their overarching goal is to cut fuel usage by 30% by 2030 through a combination of fleet renewal, SAF utilization, and stringent operational measures. SAF holds the potential to curtail greenhouse gas emissions by up to 80%, underscoring the importance of sustainable practices from the initial design stages.

Beyond individual company initiatives, the onus lies on the entire supply chain to adopt measures to mitigate emissions. There is a growing emphasis on transitioning to true green energy solutions, which transcend current technological capabilities. However, infrastructural challenges, particularly posed by outdated US airport structures, present significant hurdles to achieving environmental compliance. Efforts by stakeholders to replace single-use plastics and address noise pollution are crucial steps toward a more sustainable future.

Investment in smart and environmentally friendly materials and technologies is essential for the development of 'smart airports'. The industry is also tasked with balancing ambitious environmental goals with practical realities, such as infrastructural limitations and economic constraints. The COVID-19 pandemic provided insights into the vital role of cargo airports, although post-pandemic efforts have shifted the focus back to passenger business.





The cargo industry, especially air cargo, has seen significant changes post-pandemic. Increased demand, rising costs, and workforce challenges have reshaped operations. Minimum wage hikes and labor shortages have also influenced ocean carriers, leading to operational adjustments and increased reliance on air cargo. E-commerce, which pre-pandemic accounted for just 5% of air cargo, is now expected to surpass 40%, reflecting a dramatic shift in consumer behavior towards online shopping.

Several disruptions, including issues with the Panama Canal and container imbalances, have further driven up air cargo costs, compounding the challenges faced by the industry. Digital innovations like the electronic Air Waybill (e-AWB) have been adopted to streamline processes, but there is a pressing need for further expansion and integration of these technologies. Authorities' support remains crucial for seamless operations and to facilitate the widespread adoption of digital tools.

Technological adoption must build "digital trust," addressing concerns around data security, transparency, and reliability. This is particularly important in countries like Chile, where digital transformation could impact traditional revenue streams, necessitating a balanced approach to economic and technological progress. Due to its speed and efficiency, air cargo remains highly important for the swift movement of goods.

The air cargo industry is urged to prioritize decarbonization, waste elimination, biodiversity protection, social support, and community development while improving efficiencies and building partnerships. Sustainable technologies are essential now and in the future to meet environmental goals and regulatory requirements. By fostering innovation and collaboration, the industry can navigate these challenges and continue to play a critical role in global trade and logistics.





Collaborative Growth in the Air Cargo Industry: The Vital Role of Partnerships and Airport Leadership

During the discussion, **Rinzing Wangyal** emphasized the importance of investing in not only physical facilities but also in the training and development of human capital. The group also highlighted the significance of transparent and inclusive public processes, underlining the need to make decisions collectively with input from a broad range of stakeholders. Furthermore, there was a call to pay close attention to the implications of NAFTA and the current political landscape surrounding commerce, specifically focusing on how potential changes could affect the group's goals and operations. The discussion also touched upon future considerations, with a mention of the potential challenges that may arise in the landscape of 2026, including technological advancements, geopolitical shifts, and economic trends.

Steve Forrer elaborated on the need to consider not only the construction of infrastructure but also the long-term maintenance and sustainability of these investments and the rigidity of contractual concessions to ensure alignment with the group's objectives over time. Additionally, **Pamela Bermudez** emphasized the role of the 'BOG' as a hub for connecting with other regions and countries worldwide, underlining the interconnectedness of global infrastructure and the potential for collaboration on a broader scale. Lastly, **Mathilde de Rocquigny** brought attention to the diverse and complex challenges faced by numerous locations within the group's purview, showcasing the unique and multifaceted nature of managing diverse ambitions and local dynamics, along with the need for tailored approaches to address specific needs in different contexts.

It was agreed that collaborative endeavors to enhance global trade connectivity play a crucial role in facilitating more dependable and swifter transportation of goods. This is imperative for stimulating economic expansion and fulfilling the requirements of an increasingly interconnected global market. These collaborative efforts result in heightened operational efficiency, bolstering the air cargo industry's overall competitiveness and resilience.



What are the key elements of a successful partnership between airlines, airports, and 3PL providers?

During the discussion, several key points were raised by different individuals. **Maureen Kam** created two groups to facilitate the discussion. **David Adelson** highlighted the need to keep planting seeds for progress, emphasizing the importance of optimization and efficiency gains in our ongoing projects. **Steve Forrer** mentioned the challenge of the need for more space at the airport to accommodate the growing number of flights and passengers. **Donna Mullins** stressed the significance of digital infrastructure, particularly data and cloud platforms, in driving our technological advancements forward.

Pamela Bermúdez pointed out airport operators' crucial role in improving our clients' cargo experience. **Eric Hartmann** brought up the resistance and issues surrounding the e-AWB (Electronic Air Waybill) trend, shedding light on the challenges we might face in its implementation. **Rinzing Wangyal** emphasized the focus on being better rather than just growing in size as the key to delivering exceptional service.

Lastly, there was a call to create more robust conversation channels and involve governments in the matters by an individual from North America, underlining the importance of collaboration and support from regulatory bodies. These insights collectively emphasized the significance of partnerships, education, and collaboration to drive technology innovation and progress within our organization.



Who are the stakeholders we need to talk to & what about the users?

The forum participants engaged in an in-depth discussion about the current state of the air cargo industry, focusing on the pressing need for dynamic initiatives to address critical challenges. One major point of emphasis was the importance of implementing educational programs within the community and establishing strategic partnerships in order to drive positive change. A central theme that resonated throughout the forum was the need to bring stakeholders together and harness the potential of innovative technologies to bring about transformative outcomes. In particular, there were discussions about the potential impact of collaborative efforts in leveraging technology to drive efficiencies and sustainability within the air cargo industry.

Moreover, there was a strong consensus regarding the need to establish more robust communication channels, particularly within regions such as North America, to facilitate meaningful and constructive dialogue, as opposed to merely airing grievances. The vital role of government intervention and support in these matters was underscored as a critical factor in driving progress and enacting meaningful change.

Furthermore, the importance of identifying key decision-makers and effectively advocating for the advancement of technology was comprehensively examined. This included a detailed analysis of the challenges and resistance surrounding the implementation of initiatives such as the Electronic Air Waybill (E-AWB), with valuable insights shared by **Eric Hartmann**.

Finally, **Pamela Bermúdez** highlighted the pivotal role played by airport operators in enhancing the overall cargo experience, emphasizing the need for industry stakeholders to collaborate and innovate to meet evolving demands and expectations.







04 What would you say if someone asks you at the end of this event, what was this event about?

Amar More: There has been a noticeable regression in data compliance requirements in recent years. This has led to the emergence of various pain points, such as the presence of disparate systems with different structures, creating impediments to achieving system integration. As a result, this has caused congestion and difficulties in enforcing social distancing measures. It is imperative to shift our focus towards building resilience and embracing digitalization, understanding that digitalization encompasses more than simply converting information into PDF format.

The proposed solutions involve:

- Adopting digital processes, including sending documentation in advance.
- Scheduling appointment slots.
- Providing QR codes with pertinent truck information.

It's important to acknowledge that many stakeholders are unaware of the potential benefits of optimizing their businesses in this manner. This underscores the crucial role of comprehensive community education in ensuring the successful implementation of these solutions. We need to work together to spread awareness and understanding of these changes.



05 "How can the air cargo industry adopt sustainable practices?"

Sustainability initiatives in airport operations have sparked discussions regarding reducing traditional fuels and exploring alternative energy sources such as hydrogen. A group of individuals, including **Rinzing Wangyal, Kent Hindes, Thomas Phillips, Michael Webber, and Pamela Bermudez**, have actively engaged in conversations to embrace new energy technologies while considering the practical implications and long-term aspirations of such initiatives. Their collective efforts indicate a strong commitment to exploring the potential benefits of renewable energy and evaluating its economic viability. Furthermore, the focus on addressing challenges such as noise control during cargo operations at night and the proper management of waste residuals demonstrates a comprehensive approach to enhancing sustainable practices within airport operations, providing reassurance about the thoroughness of the initiatives.

The collaborative efforts to develop a roadmap encompassing infrastructure, facilities, vehicles, and delivery optimization reflect a dedication to setting industry benchmarks, drawing inspiration from the LATAM region and the United States. This multifaceted approach underscores a shared commitment to responsible and forward-thinking airport operations within the MIA/LATAM context.



As we conclude the CLEAR VIEW Summit, I want to extend my heartfelt gratitude to each of you for your active participation and invaluable contributions over these past two days. Your presence and engagement have made this summit a resounding success.

As we move forward, let us carry the insights and knowledge gained from this summit into our respective roles and organizations. Let us embrace the recovery with optimism, adapt to changing business models with agility, seize key opportunities with innovation, address challenges with resilience, and drive forward with a focus on digitization and collaboration. Together, we will not only recover but thrive, leading the global economy into a new era of connectivity and prosperity.

In closing, I want to thank the organizing team for their hard work and dedication in making this summit possible. I also want to thank our speakers for their enlightening presentations and our moderators for effectively guiding the discussions. Most importantly, I want to thank all of you, our delegates, for your active participation and for sharing your expertise and perspectives.

Let us leave here inspired and committed to driving positive change in the air cargo industry. Safe travels and I look forward to seeing you at our next CLEAR VIEW Summit.

Thank you!

Amar More





Delegates



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PAMELA BERMUDEZ
Directora Ejecutiva ALAICO,
ALAICO





Glimpses



Testimonials



These last few days, I've been here in Cancun at the CLEAR VIEW event hosted by Kale. It's been a great event to meet and exchange ideas with different industry experts, professionals, and we've come up with the phrase of sustainability through digitalization. We're coming out with different ideas of how to make our business more efficient and more fluid for the market.

- Eric Hartman
Regional Representative,
TIACA - Latin America



Attending the CLEAR VIEW Thought Leadership Summit 2024 was a transformative experience for me. The facilitators created an engaged environment which encouraged open and active communication. We had the opportunity to collaborate with professionals from diverse backgrounds where we gained new perspectives, innovative ideas, and while doing so, we also built a network. With technology evolving daily, we need to constantly think ahead. At the end of the event, I was truly inspired. Thank you to Kale Info Solutions for inviting me to attend this event.

- Tracey Boothe
Production Manager
Lufthansa Cargo AG



I'd like to extend my gratitude to Amar and the Kale Info Solution team for the invitation to participate in the very well-coordinated 2024 CLEAR VIEW Summit last week in Mexico, congratulations!! It was a very enriching experience filled with collaboration and learning from all these cargo great professionals. It was a pleasure to meet you all!!

Truly valued the workshop exercise to visualized how technology could and should contribute to a more sustainable and efficient logistical process, while simultaneously driving the required industry and government technological changes.

- Pamela Montoya
Executive Director
Association of International Airlines in Colombia

