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2020 worst year for air cargo

IATA dubs 2020 worst year for air cargo demand since performance monitoring began



The International Air Transport Association's (IATA) latest data for global air freight markets reveals that demand for air cargo fell by 10.6 per cent in 2020 compared to 2019 - the largest drop in year-on-year demand since IATA's cargo monitoring began in 1990.

Global capacity, measured in available cargo tonne-kilometers (ACTKs), meanwhile, shrank by 23.3 per cent in 2020 (24.1 per cent for international operations) compared to 2019, IATA said.

Due to the lack of available capacity, cargo load factors rose 7.7 per cent in 2020. This contributed to increased yields and revenues, providing support to airlines and some long-haul passenger services in the face of collapsed passenger revenues.

Improvements towards year-end

were demonstrated in December when global demand was 0.5 per cent below previous-year levels (-2.3 per cent for international operations). Global capacity was 17.7 per cent below previous-year levels (-20.6 per cent for international operations).

Commenting on the latest data, Alexandre de Juniac, IATA's director general and CEO, said: "Air cargo is surviving the crisis in better shape than the passenger side of the business. For many airlines, 2020 saw air cargo become a vital source of revenues, despite weakened demand. But with much of the passenger fleet grounded, meeting demand without belly capacity continues to be an enormous challenge. And, as countries strengthen travel restrictions in the face of new coronavirus variants, it is difficult to see improvements in passenger demand or the capacity crunch. 2021 will be another tough year. Regional performance."

Strong variations were evident in the regional performance of air cargo in 2020, IATA said. North American and African carriers reported an annual gain in demand in 2020 (+1.1% and +1.0%, respectively), while all other regions remained in negative territory compared to 2019. International demand fell in all regions, with the exception of Africa which posted a 1.9 per cent increase in 2020 compared to the previous year.

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