

AIR CARGO PLAYS A PIVOTAL role in India



Cyrus Katgara has recently been appointed as the President of Air Cargo Forum India (ACFI). He speaks with **CARGOTALK** about his vision for the air cargo industry and what role air cargo is playing in the country's overall growth.



Cyrus Katgara
President
Air Cargo Forum India (ACFI)



Kalpna Lohumi

Q What is your vision as President of Air Cargo Forum India?

Our aim will be to create an environment of profitability and prosperity for all stakeholders. ACFI has always worked towards bringing innovations to achieve high standards in operational excellence and we will continue to seek best practices in handling, processes, and infrastructure facilities at all levels of the air cargo supply chain.

Airlines are the 'goose that lays the golden egg' and if our airlines are profitable, then from terminal operators to freight forwarders, customs brokers, associations like ACAAI, AMTOI, etc. and shippers, all will prosper.

Q What are the issues you are planning to take up in your tenure?

There are many process related and administrative points which we are taking up with respect to automation, digitalisation, single-window system, process simplification for customs. We are also taking up policy related points for development of cargo villages, air cargo hubs and skill development, to name a few.

I also want to bring to notice what air cargo has done to India. We can imagine the value of air cargo by seeing that 35 per cent of the cargo by value is carried out of India by air on a one per cent capacity. It is a trade facilitator that accounts for approximately 35 per

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cent of world trade by value. It's a new perspective to understand what air cargo means to India.

Air cargo has always been compared to shipping and other modes of transportation and I believe comparing air cargo with shipping or rail or road means that we are on a wrong path considering that air cargo has just got one per cent of the global capacity available to make your goods reach on time. Air cargo is the speed to market and speed is so important for businesses like pharmaceuticals.

Secondly, we compare the cost of air cargo to shipping, railways and road which again is a misconception that air is expensive. There is no comparison with rail, road and sea but shippers compare it to its Freight on Board (FoB) value rather than Cost, Insurance and Freight (CIF) value. Air cargo doesn't stay in the air for more than 14 hours because there is no flight in the world that takes more than 14 hours. The inefficiencies are at the ground level, we take so much time from the factory to coming to the airport and that is more than taking cargo to London or Europe in many of the instances.

COVID-19 could be the biggest flop if air cargo was not around. The pharmaceutical industry and air cargo has been great for everybody during the pandemic and thousands of lives have been saved. On a regular basis, air cargo is supporting pharmaceuticals industry by carrying vaccines, cancer medicines. Airlines have created 'envirotainer' for temperature-

controlled cargo. They are only meant for the pharmaceuticals industry and this is how air cargo industry is supporting the pharmaceuticals industry.

Q Do you have any strategy in mind to deal with these challenges?

Yes, we have worked out solutions/recommendations on the above points and we are in discussion with Ministry of Civil Aviation (MoCA) for the same.

Q As you have said, going contactless is like a dream coming true. What role associations can play in spreading awareness to industry about saying 'no' to paper?

Associations play a larger role in driving the industry to do business with social responsibility and compassion. Going paperless has always been at the top of ACFI's agenda and we have been successful in pushing all stakeholders towards paperless transactions of business with customs and airports, with technology as an enabler. Going paperless is the first step to go contactless; we have to be paperless to go contactless. Calling technology as an enabler, I want to put stress on embracing technology and especially Blockchain technology like the way we have never done before.

Smart routing, less handling and cost optimisation are the next things on list in order to go contactless. We need to eliminate manual processes completely and for that e-notification and digital



signature must be used extensively. With such tools in place, we do not need custom officers or any authority for annexures or signatures. Cheque payments are so out-dated; it's time everyone should embrace e-payments, NEFT, online payments, etc. We need to continuously push our vendors, suppliers, customers and even the authority to accept e-payments

Sea freight has gone one step ahead of us with the introduction of digital Bill of Lading (BL). This should be done in the air side also. Even customs is ahead of us and has taken steps in leaps and bounds by bringing automation of customs process. We should support this with maximum utilisation of green channels for custom clearance

Q What is your opinion on the evolution of ACFI since its inception?

ACFI has evolved a lot in the past nine years and I am very thankful to my senior colleagues, board members, taskforce pillar team, secretariat and the whole ACFI family who made it a revolutionary force to reckon with. Till now, we have already completed 65 Board meetings and taken up many key issues, recommendations related to the air cargo supply chain with the government. Our members can be rest assured that ACFI will continue to be an organisation which can be trusted and relied upon. →

Air cargo matters

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