IATA GLOBAL MEDIA DAY

Air Cargo Trends and Opportunities
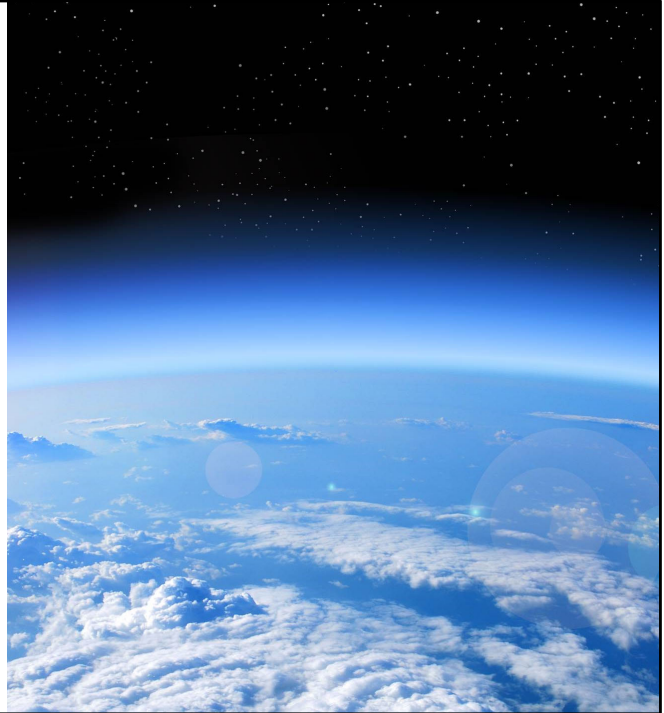
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Head of Industry Analysis

The New Trade Map

Why a fragmented world needs agile air cargo

We're operating in a world where tariffs and trade tensions are reshaping global supply chains.

The era of predictable, tariff-free global trade has given way to a far more fragmented environment.

Escalating tariffs particularly between major economies like the US and China are forcing companies to reconfigure sourcing, manufacturing, and distribution patterns.

Goods that once followed stable routes are now moving through new corridors, sometimes shifting quickly as tariff policies change.

These shifts often increase reliance on air cargo because air is the mode that can adapt fastest when trade flows are disrupted or rerouted.

For many industries, tariffs have introduced uncertainty and volatility into logistics planning:
- last-minute supplier changes,
- rerouting to avoid tariff-heavy markets.

In each case, air cargo becomes the bridge that keeps supply chains functioning while companies adjust.

So in this fragmented, tariff-affected world, agility isn't optional; it's essential.

Air cargo provides the speed, flexibility, and reroute capability needed for supply chains to stay resilient amid policy swings.

This is why maintaining a reliable, adequately sized cargo fleet is critical. Trade fragmentation increases demand for responsive logistics — and air cargo is the safety valve when global trade gets disrupted.

Global Trade is Transforming

Global trade patterns are shifting due to new tariffs, geopolitical realignments, and evolving supply-chain strategies. These forces are creating more fragmented and dynamic trade routes.

Agility is Essential

As trade routes shift and tariffs reshape supply chains, agility becomes essential for adapting quickly to sudden changes and maintaining continuity.

Air Cargo's Role is Key

Air cargo provides the flexibility and speed needed to keep supply chains functioning in this environment. It has repeatedly shown its ability to adapt quickly when trade routes or sourcing patterns change.

Global Trade is Transforming

Over the past few years, we've seen a major reconfiguration of global trade.

Tariffs—particularly those tied to US-China tensions—are reshaping sourcing decisions and altering long-established trade flows.

Companies are diversifying suppliers, nearshoring manufacturing, and rerouting shipments to avoid tariff-heavy routes.

The result is a more fragmented, less predictable trade map.

Agility is Essential

As supply chains become more complex and reactive, agility is no longer optional—it's a survival capability.

Tariff changes can raise landing costs overnight, forcing companies to switch suppliers or adjust shipping routes with little notice.

Logistics networks need the flexibility to adapt instantly to these shifts, especially in industries like electronics, automotive, pharma, and high-tech manufacturing. Agility is what allows companies to maintain continuity in a volatile trade environment.

Air Cargo's Role is Key

Air cargo is uniquely positioned to provide the agility modern supply chains require. Unlike ocean or land transport, air can reroute quickly, shift capacity between markets, and deliver urgent goods at speed.

During disruptions—whether tariff-driven, geopolitical, or natural—air cargo is the mode that keeps supply chains moving.

Ensuring we have a reliable, adequately sized cargo fleet is increasingly critical as trade becomes more fragmented.
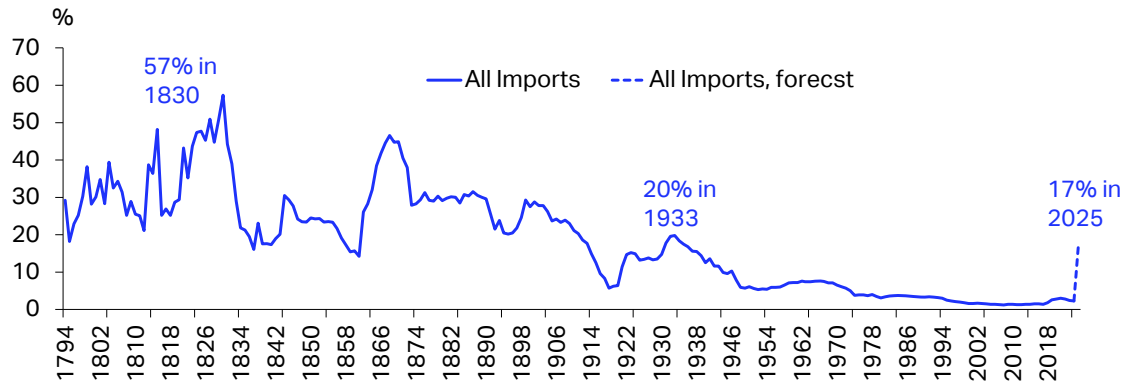
Economic Update

Julia Seiermann
Head of Industry Analysis
IATA Sustainability and Economics
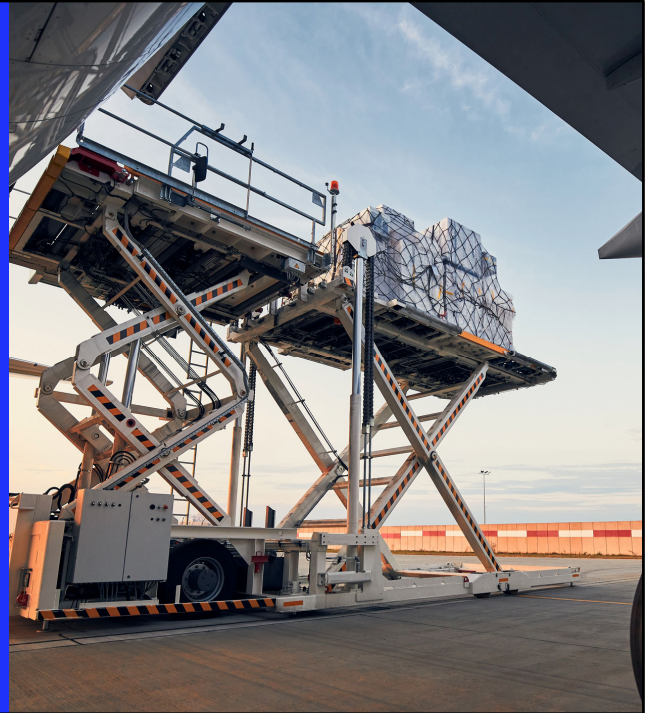
Highest US tariffs in almost 100 years

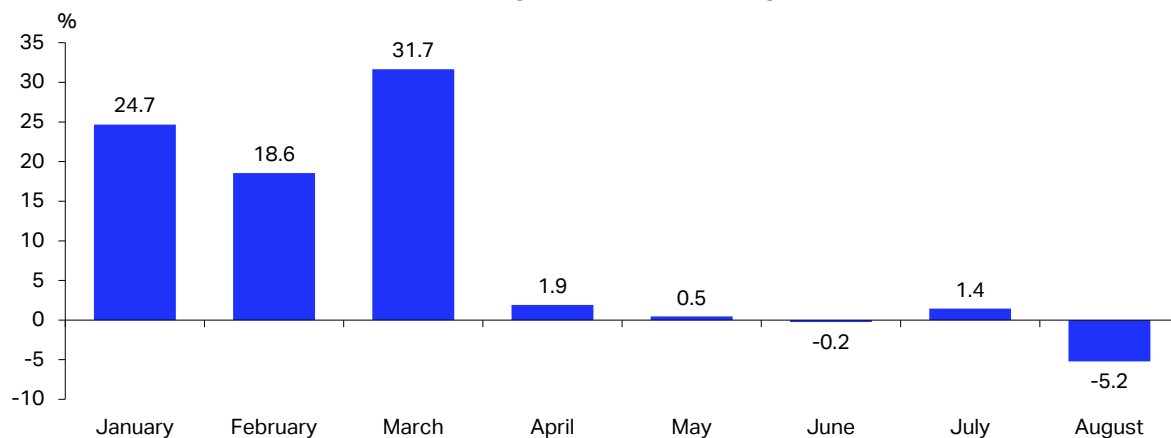**Average tariff rate in the US on imports, %, 1795-2025**

Source: IATA Sustainability and Economics, PIIE, US International Trade Commission

US trade policy affected US imports

US imports from all partners, value, YoY growth, January-August 2025
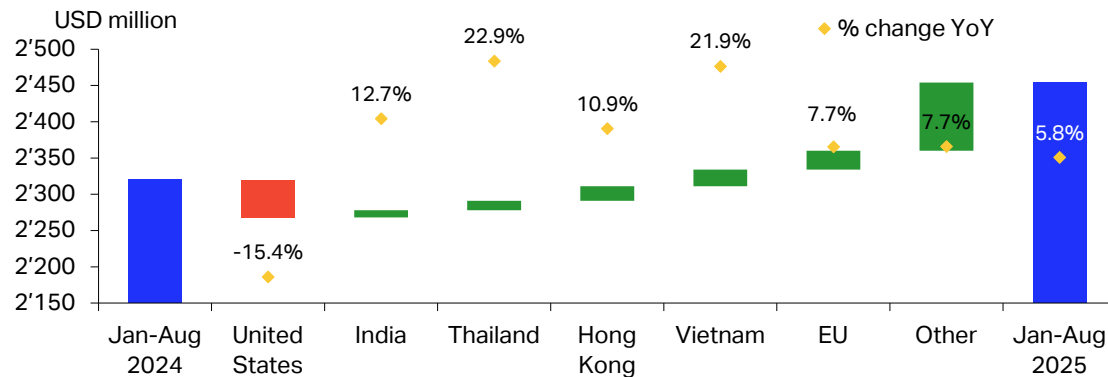
%

Month	Value
January	24.7
February	18.6
March	31.7
April	1.9
May	0.5
June	-0.2
July	1.4
August	-5.2

Source: IATA Sustainability and Economics, Global Trade Tracker

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Tariffs prompted major shifts in global trade, such as Chinese exports

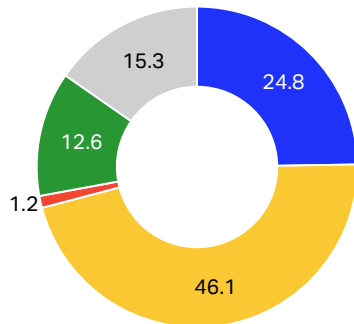**Chinese exports by country, nominal change YoY, USD billion, January-August 2025**

Source: IATA Sustainability and Economics, Global Trade Tracker
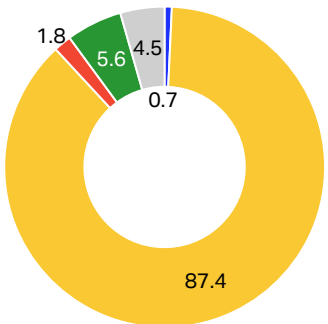
Air cargo is a key enabler of trade by value

Trade by mode of transport, % of value in USD, 2024

Legend: ■ Air ■ Sea ■ Rail ■ Road ■ Others including non-specified

- 24.8 (Air)
- 46.1 (Sea)
- 1.2 (Rail)
- 12.6 (Road)
- 15.3 (Others)

Trade by mode of transport, % of weight in Kgs, 2024

Legend: ■ Air ■ Sea ■ Rail ■ Road ■ Others including non-specified

- 87.4 (Sea)
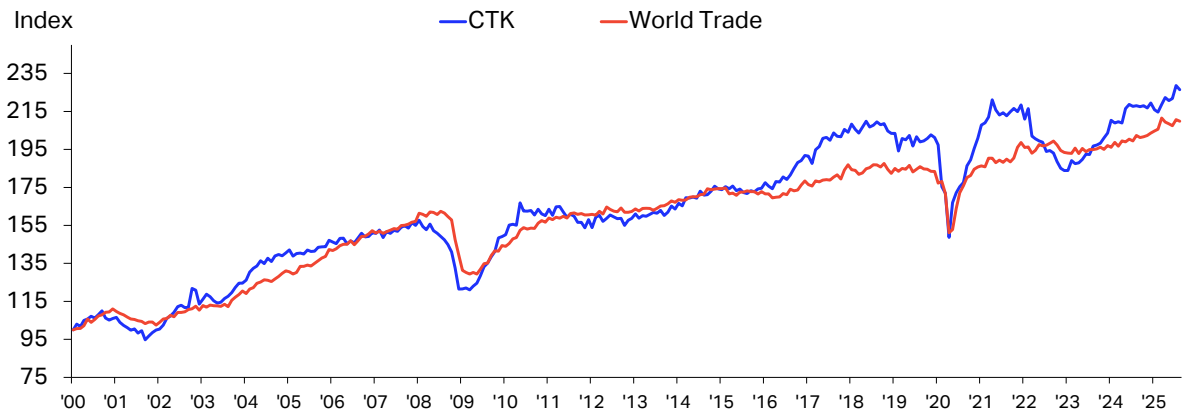- 1.8 (Rail)
- 5.6 (Road)
- 4.5 (Others)
- 0.7

Source: IATA Sustainability and Economics, Global Trade Tracker

(sample of 47 countries reporting trade by mode of transport, representing 39% of global trade)

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Air cargo moves with trade, but more sharply

Monthly frequency of Seasonally Adjusted series, January 2000=100

Index

— CTK — World Trade

235
215
195
175
155
135
115
95
75

'00 '01 '02 '03 '04 '05 '06 '07 '08 '09 '10 '11 '12 '13 '14 '15 '16 '17 '18 '19 '20 '21 '22 '23 '24 '25
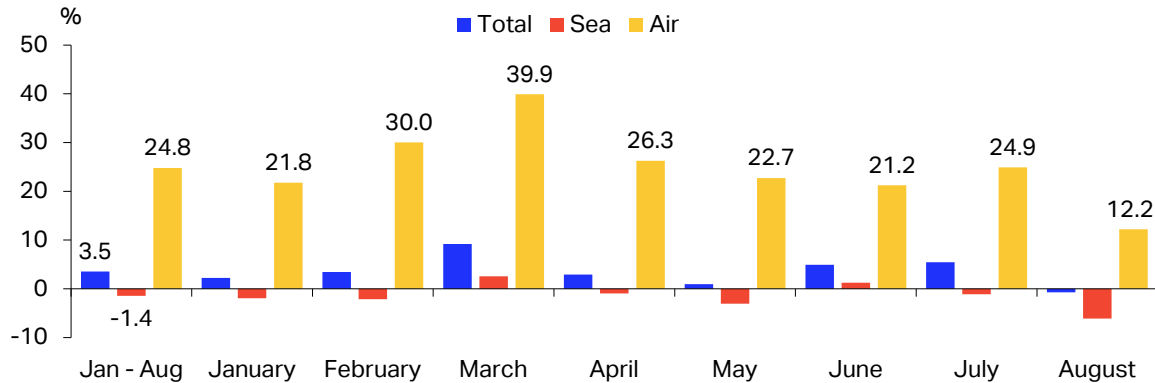
Source: IATA Sustainability and Economics, IATA Monthly Statistics, Macrobond

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Air cargo enabled rapid adjustment of trade flows in 2025

Trade by mode of transport, value, YoY growth, 2024-2025

Legend: ■ Total ■ Sea ■ Air

Data labels (Air): Jan - Aug 24.8, January 21.8, February 30.0, March 39.9, April 26.3, May 22.7, June 21.2, July 24.9, August 12.2

Data label (Total): Jan - Aug 3.5

Data label (Sea): -1.4

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Old source:

Air cargo demand continues to grow, reaching all-time high in October 2025

Industry Cargo Tonne Kilometers (CTK), billion
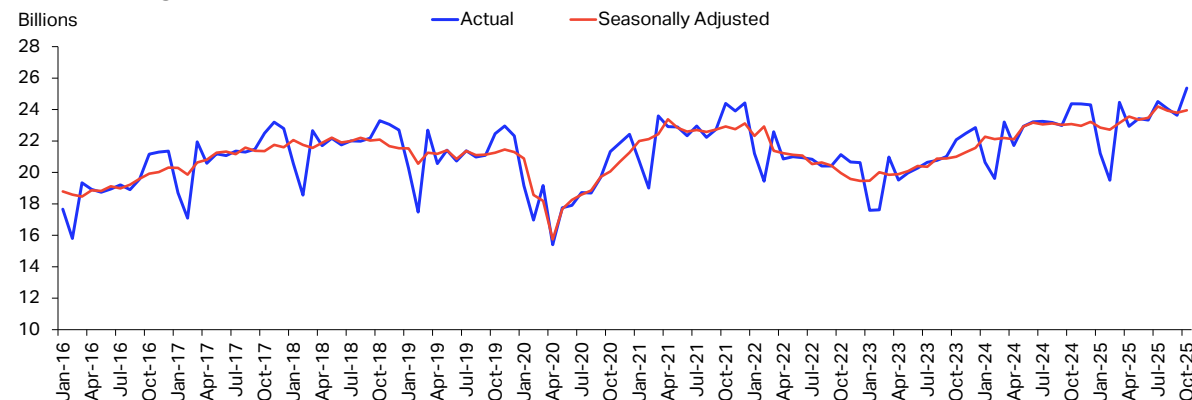
Source: IATA Sustainability and Economics, IATA Information and Data – Monthly Statistics

Far East - Europe traffic more than offsets weak Far East - North America

International cargo traffic growth, YTD (January-October), nominal growth YoY, 15 largest pairs
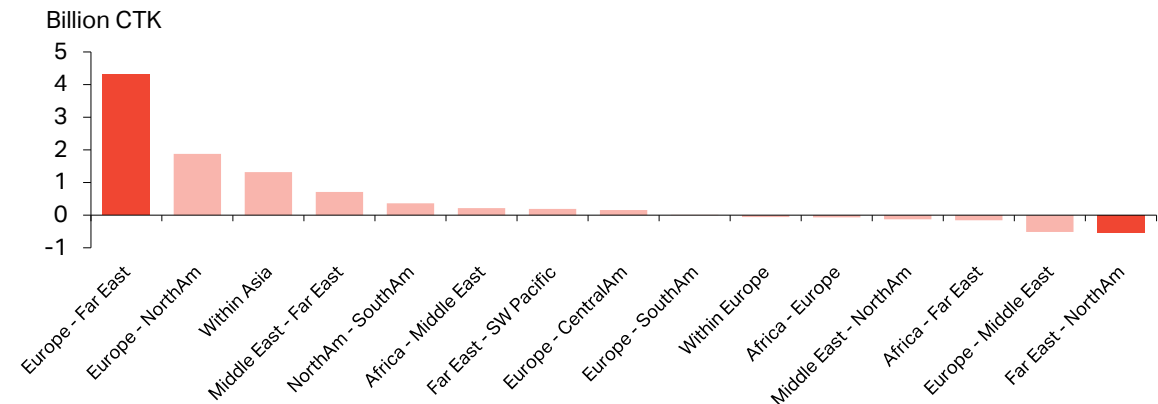
Billion CTK

Source: IATA Sustainability and Economics, IATA Information and Data – Monthly Statistics

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In 2026, global cargo traffic is expected to stabilize at 2.6%
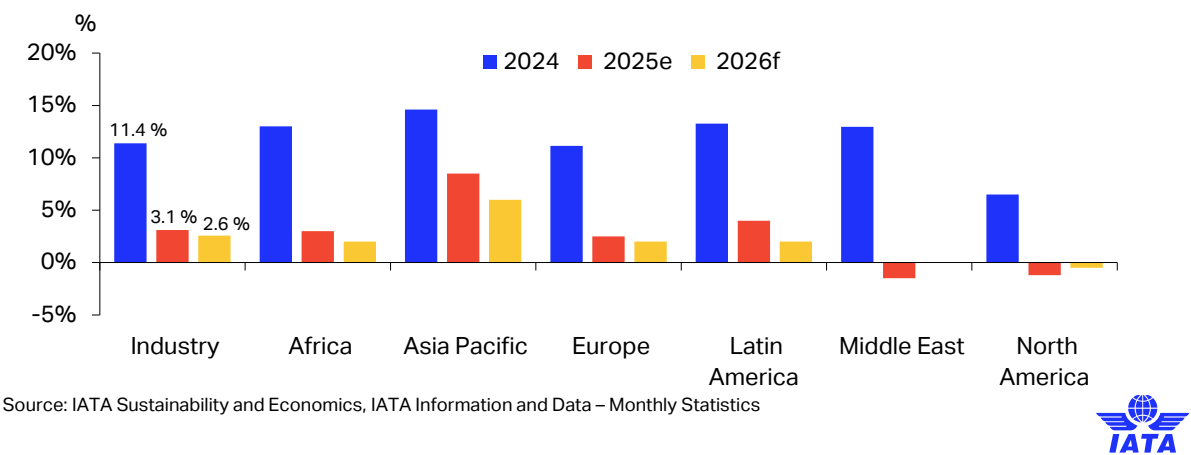
Annual growth in Cargo Tonne-Kilometers (CTK) by world region

Source: IATA Sustainability and Economics, IATA Information and Data – Monthly Statistics
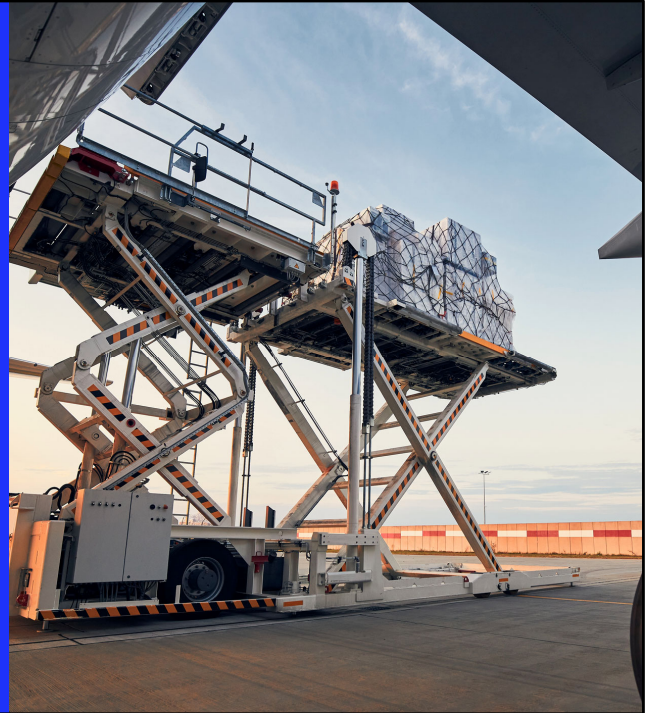
Industry Priorities

Brendan Sullivan
Global Head of Cargo
Operations, Safety and Security

Delivering agility, efficiency and Simplification

Digitalization	Regulatory Simplification	Harmonized Processes
Reduce the heavy paper reliance	Consistent implementation of PLACI regimes by State	Harmonize implementation at country level
Streamline operations	Align usage of eCSD	Align local slot rules with WASG for fair, non-discriminatory access.
Adapt quickly to changes		

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As we have seen (ref S&E slides, air cargo is incredibly agile and adjusted very quickly to trade flow changes throughout 2025. That said, there are still areas where the industry can improve their agility.

Digitalization

Air cargo still relies heavily on paper-based processes which creates inefficiencies, delays, and higher costs. Equally it adds complexity when adapting to trade flows and scaling operations in new locations.

Digitalization is critical to streamline operations, reduce errors, and enable faster decision-making.

Industry needs consistent standards to make digital adoption universal.

Harmonize Processes

Today, every country has its own rules and documentation requirements, This lack of harmonization adds complexity and slows down global cargo movement.

Aligning regulations and processes across borders will reduce friction and improve predictability.

Real-Time Visibility

Customers expect to know where their shipment is at any moment.

Real-time tracking improves trust, planning, and resilience.

It's also essential for managing disruptions quickly and efficiently.

Remove Security Friction

Current cargo security regimes are outdated and inconsistently implemented. Uneven use of Consignment Security Declarations (CSD) creates gaps and duplication. In 2022 less than 50% of the countries we surveyed accepted the electronic CSD and there is inconsistent interpretation and implementation by States.

In addition, following the attempted introduction of Improvised Incendiary Devices in the summer of 2024, initial regulator responses were unaligned and surpassed the business processes and technical ability of today's messaging standards. As a result, we reached the absolute limit of the existing standards and we need smarter, harmonized security measures that maintain safety, security are risk-based and proportional, without slowing down trade.

Slots

Despite its importance, air cargo is being pushed to the back of the queue when it comes to slots.

Cargo carriers frequently struggle to obtain historic or permanent airport slots, unlike passenger airlines.

Some major hubs restrict cargo operators to temporary, ad hoc slots – Bogotá and Dubai are key examples.

Airports like Heathrow and Gatwick also do not grant historic slots to cargo, limiting flexibility.

Local rules further complicate operations: shorter parking limits, curfews, separation windows, and even outright bans (e.g., Mexico City, Mumbai).

Slot disadvantages stem from local rules – not international standards

The global standard, the IATA Worldwide Airport Slot Guidelines (WASG), is clear: slot allocation must be fair, non-discriminatory, and transparent, regardless of the type of operation.

The solution is fair access

What we want is alignment with WASG principles so that all operators—passenger and cargo—can compete on equal terms. Allowing airlines to best align with consumer demand in both pax and cargo forms.

This matters more now as global commerce accelerates and e-commerce continues to grow, demand for rapid, reliable air freight is only increasing.

If cargo is squeezed out of key airports, economies suffer, supply chains slow, and consumers feel the consequences — from higher costs to longer delivery times.

Fair Access for a Connected World

Equal Slot Rights for Air Cargo

Transparency in capacity declarations and slot availability

Neutrality and independence of coordinators

Inclusive Coordination Committees at all Level 3 airports

Avoidance of arbitrary limits on capacity, parking, and slot eligibility

Shared commitment to fair and non-discriminatory practices

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Slot rights

Despite its importance, air cargo is being pushed to the back of the queue when it comes to slots.

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Some major hubs restrict cargo operators to temporary, ad hoc slots – Bogotá and Dubai are key examples.

In China, cargo flights are limited to midnight–6 a.m.

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Solutions

Digitalization	Consignment Security Declaration (CSD) reform	Safety of the supply chain
ONE Record – the digital backbone for agility. Data – the backbone for AI & Automation	Harmonize implementation at country level Align regulation and procedures	Annex 18 Amendments • Management of safety risks • State safety promotion across supply chain

The industry is working on solutions to address these challenges.

ONE Record is about creating a single, standardized data model for the entire cargo supply chain. Instead of fragmented systems, we have one source of truth that enables real-time data sharing between airlines, forwarders, and regulators."

"This is critical for agility—because when everyone works off the same data, we reduce errors, speed up processes, and unlock new digital services."

2. AI Automation — Smart Hubs and the Cargo Facility of the Future

"Automation powered by AI is transforming cargo operations. Think of smart hubs where predictive analytics optimize warehouse space, robotic systems handle cargo, and AI-driven scheduling reduces bottlenecks."

"This isn't just about efficiency—it's about resilience and scalability in a world where demand can shift overnight."

3. CSD Modernization

"The Cargo Security Declaration (CSD) is a vital document for compliance, but today it's often manual and inconsistent. Modernizing CSD means digitizing and harmonizing it across jurisdictions."

"This will make security processes faster, reduce paperwork, and ensure compliance without slowing down cargo flows."

4. Safety of the Supply Chain — Modernization of ICAO Annex 18

"Safety remains non-negotiable. ICAO Annex 18 governs the safe transport of dangerous goods, and its modernization ensures that regulations reflect today's realities—digital documentation, automated checks, and better risk management."

"By updating these standards, we strengthen the entire supply chain against emerging risks."

IATA is issuing four calls to action. There are other calls that could be made; but these four represent the best opportunities to have the greatest impact on supply chain safety. These are:

• States to look at existing supply chain dynamics and determine, and empower, the agency to take primary oversight responsibility.

• Airports to develop a local ecosystem, which involves the supply chain partners that increases knowledge, confidence and trust in their ability

to transport complying cargo

- Freight forwarders to adopt systems and processes which tie in to educate and assist shippers to screen for, and transport, dangerous goods safely.
- Security Agencies involved in the air transport supply chain, in reviewing or developing their Security Management Systems (SeMS) consider how they might strengthen supply chain safety.

Air Cargo – adapting to shifting trade flows

Modernization and agility are not optional—they're essential for survival in today's trade environment.

Trade patterns are shifting faster than ever

Air Cargo is the shock absorber for constant disruption

Agility requires modernization

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As we wrap up, let's look at the bigger picture: why modernization and agility are not optional—they're essential for survival in today's trade environment."

1. Trade Patterns Are Shifting Faster Than Ever

"Global trade is no longer predictable. Tariffs, geopolitical tensions, and supply chain diversification are reshaping routes and volumes almost overnight."

"This volatility means businesses need flexibility—and air cargo is uniquely positioned to deliver that."

2. Air Cargo Is the World's Agility Engine

"Think of air cargo as the shock absorber for global disruption. When ocean freight slows, when borders tighten, when demand spikes—air cargo steps in to keep goods moving."

"This role has never been more critical. We're not just moving boxes; we're enabling resilience for global trade."

3. Agility Requires Modernization

"But agility doesn't happen by accident. It requires investment in three pillars:"

- **Data Standards:** *"ONE Record creates a single digital backbone for the industry—real-time,*

interoperable data."
- **Security Reform:** *"Modernizing security processes ensures speed without compromising safety."*
- **Automation:** *"Smart hubs and AI-driven operations make cargo facilities faster, safer, and scalable."*

Air cargo is not just a mode of transport—it's a strategic enabler for global trade. By embracing modernization, we ensure that agility remains our greatest strength in a world of constant disruption."

Thank you