

The ins and outs of all-cargo flights

21 September 2017

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This month we take a look at air transport’s all-cargo market segment – the smallest of them all (representing 3% of European flights) – and its progress over the past 10 years.

The all-cargo carriers transport goods, mostly perishable ones which need to be delivered quickly; freight - both general and express - and mail. Based on rules matching specific criteria, EUROCONTROL’s Statistics and Forecast Service (STATFOR) defines the all-cargo segment as flights with a specific aircraft type, callsign and/or aircraft operator [linked to all-cargo operations](#). Some of the most popular freighters include Boeing 737, Boeing 757, Airbus A300 and Boeing 747.

All-cargo is the most significant air transport market segment flying at night: 43% of its flights take place then. This is because airport slots are cheaper at night - and operating at night facilitates overnight shipments for next-day deliveries. However, this is truer for intra-Europe than intercontinental traffic. All-cargo is the biggest market segment flying in the small hours of the morning.

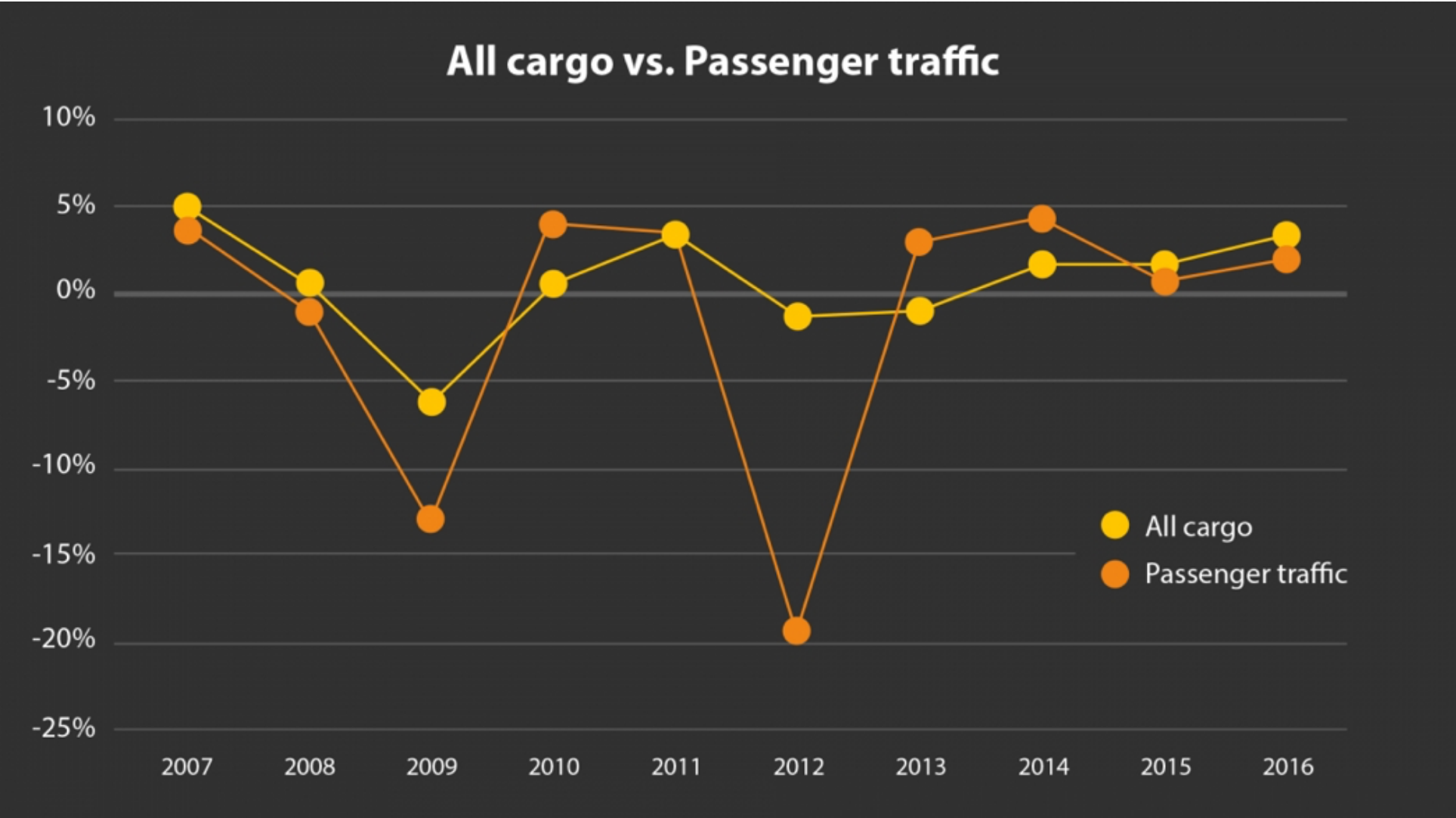
Typical airports for cargo flights are those which allow night operations and have associated logistics facilities. Several larger airports tend to have curfews for night flights as they are located next to big towns where environmental concerns are important. Popular cargo airports include the East Midlands airport in England’s Leicestershire (DHL hub); Leipzig (hub for the German cargo airline, European Air Transport); Paris CDG (FedEx hub); Cologne/Bonn (UPS hub) and Liège (TNT hub).

Cargo traffic is relatively routine and rarely generates peaks of flights. The reason is that as transporting freight by air is expensive, most goods are sent on regular cargo flights that have been scheduled well in advance. Situations where urgent delivery is needed and an ad hoc flight is organised – the ‘business aviation’ of cargo – exist, but are quite rare.

Cargo flights’ schedules are well coordinated so as to ensure the synchronisation of transfer flights at hubs. In addition, air cargo operations require documents for customs clearances which the carriers have to prepare in advance. This process is streamlined by digitalising these documents. As all these procedures have to be taken into consideration, planning operations well in advance helps the cargo carriers function efficiently.

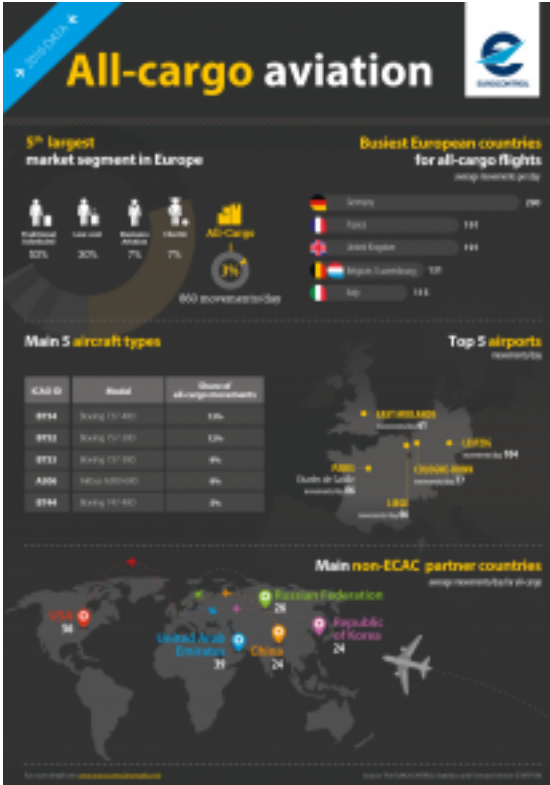
The all-cargo segment in figures

As the graph below shows, the all-cargo segment is quite sensitive to economic cycles. It was more affected by the economic fluctuations in 2008-2012 than passenger traffic was; so much so that the segment recorded a decrease of 18% over the past 10 years (2007 vs 2016).

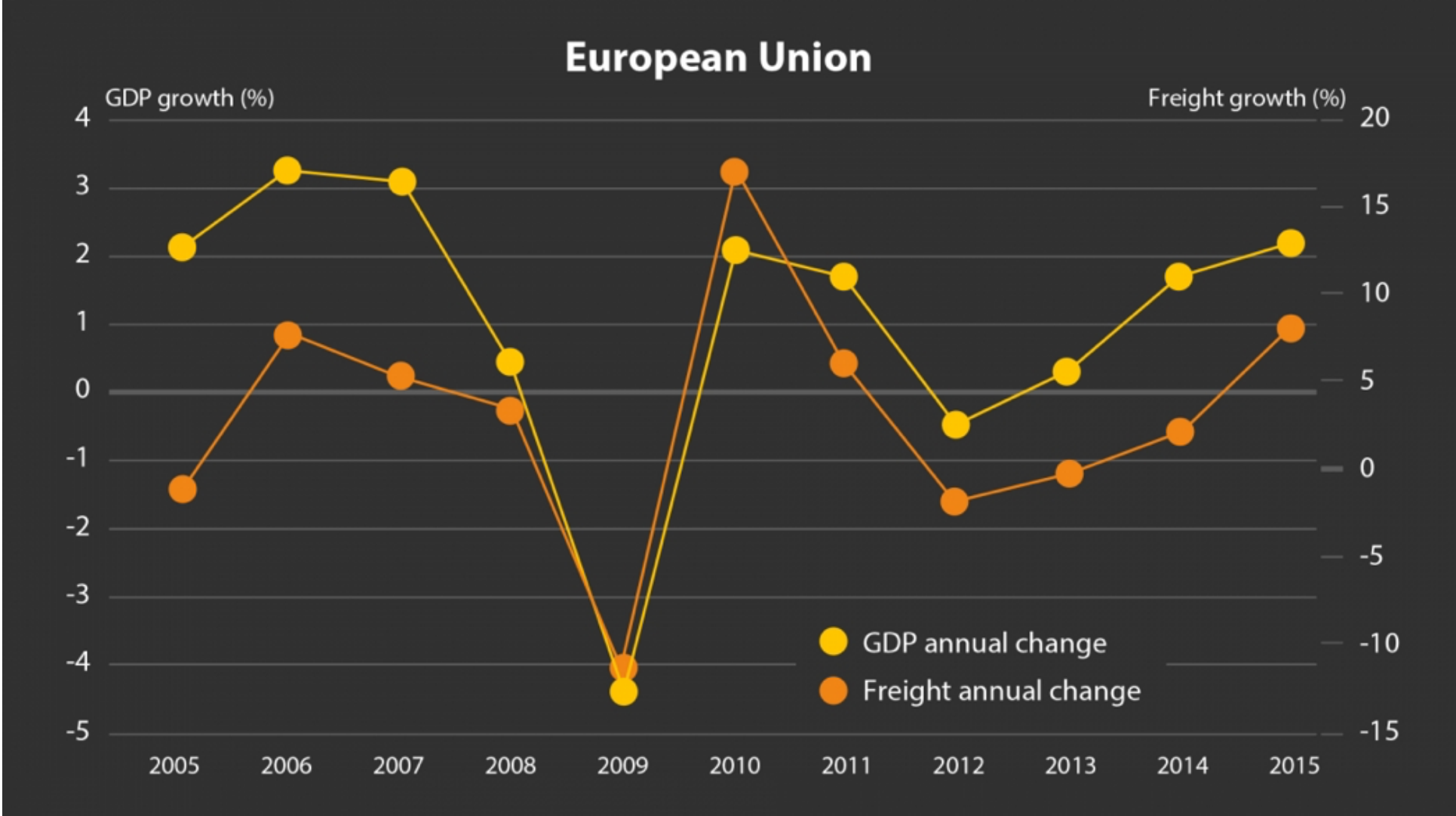


To curb the effects of the economic crises, air cargo operators adapted their network capacity to match customer demand in this period. They also rationalised and rescaled their operations by optimising the use of their full-freighter fleet. This was done by tactically using belly and/or combi cargo capacity, reducing structural costs and modernising their fleet with more efficient aircraft. To some extent, growth in capacity for cargo in the hold of passenger aircraft is in competition with all-cargo flights. These changes could explain why the segment has been gradually recovering: it registered an increase of 11% over the last five years (2012 vs. 2016) and in 2016 saw a 2% growth, compared with the year before.

The graph below compares the evolution of the European Union’s Gross Domestic Product (GDP) and its air freight since 2005. It shows that the annual changes in air freight follow economic fluctuations.



For more facts and figures about this sector, download [the all-cargo infographic in PDF](#).



Gross Domestic Product (GDP) growth vs Freight growth in the European Union from 2005-2015 (source: Eurostat)

In 2016, Germany was the fastest-growing state in terms of cargo operations, handling more than 24% of European cargo movements. Other big contributors were the countries with larger economies, such as France (16%) and the UK (16%), but also the Benelux countries (12%); all these states host large cargo carriers.

The top contributors outside the European Civil Aviation Conference area were the Asia/Pacific region (83 average daily movements), Other Europe* (56 average daily movements), the Middle East (51 average daily movements) and North Atlantic (35 average daily movements). However, the picture might be somewhat distorted as Europe is a convenient stop-over for refuelling cargo flights between America and Asia.

For the January-August 2017 period, the all-cargo segment surged to an 8% average growth rate (compared with the same period in 2016). This is related to healthy Eurozone economic indicators.

Sending cargo by air is very fast, compared with other modes of transport and so is particularly useful for transporting time-sensitive objects - like urgent documents and mail - or perishable goods. Its well-established routines make it popular with freight forwarders, too. These characteristics have helped ease the segment's recovery.

For further reading, have a look at '[Dependent on the Dark: Cargo and other Night Flights in European Airspace](#)', from our *Trends in Air Traffic* series.

* Region Other Europe includes the following: Russian Federation, Azerbaijan, Estonia, Lithuania, Iceland, Latvia, Georgia, Belarus, Bodo Oceanic, Armenia, Santa Maria FIR, Faroe Islands, Greenland

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