

**MANSTON AIRPORT DEVELOPMENT CONSENT ORDER EXAMINATION  
SUBMISSION FOR DEADLINE 6**

**COMMENTS ON APPLICANT'S WRITTEN SUMMARY OF CASE PUT ORALLY  
NEED AND OPERATION HEARING (REP5-024)**

**FROM LOCAL BUSINESS AND INTERESTED PARTY, FIVE10TWELVE LTD**

1. At Paragraph 3.10 of REP5-024 the Applicant has referenced 2018 academic study regarding Qantas. We respectfully point out the same article makes two points at section 2.2 which completely refute the Applicant's business case for a dedicated cargo airport.
2. These being that "***air-freight is normally just one-way***" and that this "*directionality problem' in air freight flows can often make it **difficult for freighter operators to fill their aircraft profitably** across their international route networks*" (bold emphasis added).
3. The Sustainability of UK Aviation: Trends in the mitigation of noise and emissions<sup>1</sup> concludes that "***Hubs provide the economies of scale from a wide selection of possible routes, combined with the movement of high volume freight through belly-hold space, which can reduce emissions of CO2 and other harmful gases by at least 12% even in a simplified 20-city model***" (bold emphasis added). The report provides further clarification at paragraphs 4.23 – 4.24:

*"4.23 Traditionally, freight has been carried in the bellies of large passenger aircraft, particularly those operating in and out of hub airports (as these offer opportunities for onward connections and therefore economies of scale). This is a **highly efficient means of transporting freight**, as it is on-board flights that are already carrying revenue passengers and therefore the **marginal cost of transporting the freight is extremely low**. The use*

---

<sup>1</sup> March 2016, The Sustainability of UK Aviation: Trends in the mitigation of noise and emissions  
Independent Transport Commission Peter Hind and RDC Aviation Ltd

<sup>2</sup> *Ibid* at paragraph 4.25

*of **dedicated freighters** is not necessarily inefficient in itself if the loads are high for both the outbound and return legs (demand for freight can often be mono-directional), however these **aircraft are usually either conversions of older passenger aircraft or the last aircraft from a given aircraft production line.** This means that the rates of technology implementation for dedicated freighter airlines are among the **lowest in the industry.** Popular aircraft types for these airlines continue to include the **McDonnell Douglas DC-10 (first flight 1970) and Airbus A300 (1974).** Furthermore, dedicated freighter aircraft frequently operate at unsociable hours, due to the desire to guarantee overnight deliveries and the availability of cheap slots – this can be a primary cause of noise complaints for local residents, especially at airports without night curfews” (bold emphasis added).*

*“4.24 **Sustainability for air freight is most likely to be achieved through the use of existing passenger airline hub networks supplemented by large-scale freight aggregators with dedicated aircraft fleets linking logistics hubs.** This will minimise the need for extra flights, ensure economies of scale from larger aircraft, and utilise the most modern and efficient technologies available” (bold emphasis added).*

4. At Paragraph 3.13-3.14 of REP5-024 the Applicant asserts that “*the dominance of bellyhold in the UK and the prevalence of trucking goods produced in or destined for the UK to European airports was a result of capacity constraints rather than market preference*” without providing any evidence to support this assertion.
  
5. In contrast to the Applicant’s assertion at Paragraph 3.13-3.14 of REP5-024, the Impacts on the Air Freight Industry, Customers and Associated Business Sectors report states that “*The opening of the Channel Tunnel in 1994 between the UK and France has **made it faster and cheaper to transport cargo by road** between continental Europe and the UK. In terms of truck transport, it is estimated that 97,000 tonnes of air freight actually*

*crosses the English Channel by truck per year, as compared to 87,000 tonnes flown on bellyhold<sup>3</sup>. In fact, the volume of short-haul cargo peaked around the time the Channel Tunnel opened and has declined ever since. Therefore, this hints that much of the decrease in short-haul volumes may be **due to the relatively lower cost of truck transport to continental Europe rather than capacity constraints at London area airports**. In other words, the **generalised cost of surface transport (relative to air transport) has decreased, spurring a modal shift on short-haul routes<sup>4</sup>**" (bold emphasis added).*

6. At Paragraph 3.22 of REP5-024 the Applicant confirms that it plans to attract business rather than to meet a national need generated by a national demand. It claims it will target -not that it will be targeted by- Amazon Air.
7. As you will be aware Amazon logistic centres all have a number of factors in common which do not exist at the Manston site. Amazon currently has positioned themselves to have reach over England without it.
8. Further, we would respectfully remind the Applicant that their case surely must be one of meeting a national need not for them to forcibly take someone else's land to speculate on trying to find and/or create a market for themselves. We have put together a table showing location of Amazon logistics centres and the common factors of proximity to multiple transport infrastructures and reach.

---

<sup>3</sup> Air Freight: Economic and Environmental Drivers and Impacts," Steer Davies Gleave, March 2010

<sup>4</sup> Oxford Economics and Ramboli *Impacts on the Air Freight Industry, Customers and Associated Business Sectors* Page 16

9. Table showing location of Amazon logistics centres and the common factors of proximity to multiple transport infrastructures, additional available employment land, and reach.

<b>Location</b>	<b>Size</b>	<b>Close to...</b>	<b>Area in England</b>
London Distribution Park	70 acre logistics centre (2 million sq feet)	London's major port (Tilbury) London City Airport, Southend Airport and Stansted Airport	<b>South East</b>
County Durham	1.5 million sq ft	Durham Tees Valley Airport, Newcastle International Airport and Durham railway station and close to the ports of Tees, Hartlepool, Sunderland and Tyne	<b>North East</b>
East Midlands Gateway	50 acre/ 6 million sq ft	Castle Donington freight line and will incorporate a 50- acre strategic rail freight interchange and close to East Midlands airport and Birmingham airport	<b>East Midlands</b>

10. At Paragraph 4.2 of REP5-024 the Applicant highlighted key capacity constraint at for example Amsterdam. As you will be aware as of 24 April

2019 freighters will have more access to slots at Schiphol Airport following the Dutch government's approval of the 'local rule'. This will allow full freighters to maintain historic rights<sup>5</sup>.

11. At Paragraph 4.4 of REP5-024 the Applicant stated that there would be unmet demand of at least 500,000mt of freight. The Applicant has not provided this as an ATM amount. Leaving aside whether or not there will in fact be this 'unmet' demand, the Applicant has not explained and evidenced why this demand could be met at Manston rather than by one of the many other existing airports with better surface transport access and logistics infrastructure.
12. Christoph Bruns, initiative manager for global air cargo at logistics consultancy TIM Consult, an offshoot of German cloud-based logistics software provider, Transporeon said in the Lloyd's Loading List in April 2019 that *"the capacity "crisis" of 2017 and the "critical situations" in 2018 appeared to be **well and truly over**"*<sup>6</sup> (bold emphasis added).
13. *"Shippers look set to benefit from more "favourable" air freight rates in the foreseeable future, with little change expected in the current soft market conditions, **characterised by shrinking demand and capacity increases**"*<sup>7</sup> (bold emphasis added).
14. *"At the end of 2018, the gap between available capacity (AFTK) and demand (FTK) widened and was borne out by feedback from a number of forwarders on **shrinking volumes of air cargo** in the final quarter of last year"*<sup>8</sup> (bold emphasis added).
15. *"Year over year comparisons show **continued capacity growth**. In January 2019, **capacity was up 4% on the same month in 2018** while there was a*

---

<sup>5</sup> <https://theloadstar.com/schiphol-local-rule-for-freighter-slots-gets-green-light-from-government/>

<sup>6</sup> Lloyd's Loading List 15 April 2016 *Air freight rates softening set to continue in 2019*

<sup>7</sup> Lloyd's Loading List 15 April 2016 *Air freight rates softening set to continue in 2019*

<sup>8</sup> Lloyd's Loading List 15 April 2016 *Air freight rates softening set to continue in 2019*

*contrasting picture on the **demand side** with a **decline of almost 2% on January 2018**<sup>9</sup>” (bold emphasis added).*

16. At Paragraph 4.6 of REP5-024 the Applicant references a note at Appendix 6.
17. At paragraph 1.1 of Appendix 6 of REP5-024 the Applicant has overlooked East Midlands Airport which is the **largest dedicated cargo** aircraft operation in the UK. It handles over 365,000 tonnes of goods a year. It was shortlisted this year in the Freighter Hub of the Year category, an international cargo award, and East Midlands Airport is the only airport in the UK to be shortlisted<sup>10</sup> for the Air Cargo News annual awards.
18. At paragraph 1.3 of Appendix 6 of REP5-024 the Applicant has provided no evidence of its assertion. In contrast to the Applicant’s un-evidenced assertions a recent Transport Intelligence report states that there is **rapidly slowing air-freight** and that the air freight market is now faced with **growing over-capacity**<sup>11</sup> (bold emphasis added).
19. Further, “*IATA (International Air Transport Association) has just released its monthly data on **air cargo showing a fall** of 4.7% year-on-year in Freight Tonne Kilometres (FTKs) in February, the **largest fall in more than three years**<sup>12</sup>” (bold emphasis added).*
20. At Paragraph 5.2 of REP5-024 the Applicant lists distances from Manston to a number of locations. The distances measured are slightly inaccurate it is over 20 miles to Port of Dover, 75 miles to Central London and 70 miles to Port of Tilbury. Moreover these are distances on a map which fail

---

<sup>9</sup> Lloyd’s Loading List 15 April 2016 *Air freight rates softening set to continue in 2019*

<sup>10</sup> <https://www.itv.com/news/central/2019-02-14/east-midlands-airport-the-only-uk-airport-to-be-shortlisted-for-cargo-award/>

<sup>11</sup> <https://www.ti-insight.com/briefs/rapidly-slowing-air-freight-suggests-worsening-global-trade/?reportTitle=Rapidly%20slowing%20air%20freight%20suggests%20worsening%20global%20trade>

<sup>12</sup> *Ibid*

to take into account actual travel time. As you will be aware the port of Tilbury is accessed through the Dartford crossing which is heavily congested as but one example. Speed and predictability of surface transport access is imperative to the air-freight market. As you will be aware the last mile counts in cargo.

21. Paragraphs 10.1- 10.4 of REP5-024, the Applicant appears to have incorrectly modeled its indicative Public Safety Zones.

22. The CAA has produced a Frequently Asked Questions sheet for Exeter Airport Public Safety Zones<sup>13</sup> which states:

*“Public Safety Zones are produced by modelling work carried out using **historic aircraft accident data from around the world**, together with details of the **traffic forecasts and particular aircraft mix at the Airport**, to **determine the level of risk to people on the ground**. This modelling work determines the extent of the Public Safety Zone contours<sup>14</sup>”* (bold emphasis added).

23. At Paragraph 10.1 of REP5-024, the Applicant has taken comparators for example Bournemouth, London (Luton), Prestwick, East Midlands, Southampton and Southend to its benefit in other areas of its application but has chosen not to do so here despite the clear value of and regulatory requirement of Public Safety Zones.

24. Bournemouth, London (Luton), Prestwick, East Midlands, Southampton and Southend **all have Public Safety Zones**.

---

<sup>13</sup> CAA Exeter Airport Public Safety Zones Frequently Asked Questions sheet

<sup>14</sup> CAA Exeter Airport Public Safety Zones Frequently Asked Questions sheet

25. In addition, according to the CAA “the **direction in which a runway is built**” as well as ATMs and **aircraft mix** at the airport 15 years ahead, is taken into account not purely ATMs<sup>15</sup> (bold emphasis added).
26. Paragraph 10.2 of REP5-024, as this is the opening of a new airport Public Safety Zones should be engaged from the outset.
27. Paragraph 10.3 of REP5-024, an indicative Public Safety Zone should not use the preferred runway as part of its. An indicative Public Safety Zone should be based on the worst-case basis and where there are likely to be people particularly as “*the aim is **to control the number of people on the ground at risk** in the unlikely event of an aircraft accident on take-off or landing*”<sup>16</sup> (bold emphasis added).
28. Paragraph 10.4 of REP5-024, Public Safety Zones should be part of the planning application which in this case is with the Planning Inspectorate and Secretary State at a national level not local.

---

<sup>15</sup> CAA Exeter Airport Public Safety Zones Frequently Asked Questions sheet

<sup>16</sup> CAA Exeter Airport Public Safety Zones Frequently Asked Questions sheet