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This will be my 4th submission to the consultation and will concentrate on NEED and need alone. Notwithstanding the pandemic Cargo air transport movements (CATM) has hardly changed in nature for nigh on 20 years. It is a niche market in the market that moves goods from point A to point B simply because of the cost.

In the original examination report from 2019 (before the pandemic struck) the ExA concluded:

"Given all the above evidence, the ExA concludes that the levels of freight that the Proposed Development could expect to handle are modest and could be catered for at existing airports (Heathrow, Stansted, EMA, and others if the demand existed). The ExA considers that Manston appears to offer no obvious advantages to outweigh the strong competition that such airports offer. The ExA therefore concludes that the Applicant has failed to demonstrate sufficient need for the Proposed Development, additional to (or different from) the need which is met by the provision of existing airports." *(E.R 5.7.28)*

Very little has changed and what has changed is debated within the Ove Arup's report which concludes:

Overall, the Independent Assessor concludes that there have not been any significant or material changes to policy or the quantitative need case for the Proposed Development since July 2019 that would lead to different conclusions being reached *(compared with the previous ExA conclusions)* ***with respect to the need for the Manston development****. In particular:*

1. *The changes to policy, notably the withdrawal and reinstatement of the ANPS and adoption of the Thanet Local Plan, do not significantly change the policy context that was in place at the time of the Examination;*
2. *The recent growth in e-commerce sales is not driving a demand for additional runway capacity for dedicated air freighters in the South East;*
3. *Although there have been short term changes in the balance between bellyhold freight and dedicated freighter activity during the Covid-19 pandemic, these changes are not expected to be permanent, notwithstanding growth in ecommerce and changes to the UK's trading patterns post-Brexit;*
4. *There is unlikely to be a significant reduction in bellyhold freight capacity (once the passenger market recovers) due to the introduction of narrow-bodied twin-engine aircraft;*
5. *Despite the uncertainty concerning the timescale for the Heathrow Airport Third Runway, changes since July 2019 as described do not lead the Independent Assessor to reach a different conclusion on the need case for Manston Airport. East Midlands Airport has sufficient capacity to handle additional dedicated freighter services should the market demand them, while the planning determination at Stansted confirms that significant freight capacity remains available; and*
6. *There is no new evidence to suggest a different conclusion should be drawn in respect of the locational performance of Manston compared to East Midlands Airport, and to a lesser extent Stansted, to that of the ExA Report*.

What the applicant forgets (sic) is that there is a marked difference between worldwide projections for CATM and those that are UK specific and conflating the two is disingenuous and naïve.

Using forecasts is akin to crystal ball gazing and this seems to be the favourite behaviour of the applicant. To ignore prior statistics in favour of cherry picking forecasts that are not UK specific can lead to erroneous conclusions.

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Take the case of a recent report in the Telegraph:

Rocketing shipping costs force businesses to avoid container ships and head to the skies in efforts to avoid freight delays

By Louis Ashworth (Telegraph) 20 November 2021

The headline is misleading because although worldwide shipping costs have "rocketed" in 2020 the volume of CATM in the UK reduced by 21%, a fact that was overlooked in the report that followed.

There were some gems included within the report however:

"However, it comes with a price tag. Estimates by the World Bank suggest air freight is usually four to five times more expensive than road transport, and up to 16 times more than sea. This has typically meant only some products earn a plane ticket: certain fresh foods, time-sensitive documents, pharmaceuticals and cut flowers, for example."

""There's not a one-size-fits-all response to the current climate," says Niall van der Wouw, managing director of Clive, an Amsterdam-based air freight data provider. It's been a boom period for air freight, but sky-high pricing and favourable comparisons with nautical alternatives may not last forever.

"I think there is quite a risk that this big surge in demand that we've seen over the past year could just disappear as quickly as it started," says James Hookham from the Global Shippers' Forum, a trade association for cargo owners.

Industry insiders accept that what goes up must come down, although fate may briefly be in the freight firms' favour. As air passenger levels begin to normalize, cargo space will shrivel."

What is true is that airfreight is a small niche market which according to Ove Arup has hardly changed in the last 10 years

"Combining these airfreight volumes with data from DfT Port Statistics for unit load cargo passing via sea ports in the same years (cargo in maritime containers, accompanied Heavy Goods Vehicle (HGVs) and unaccompanied trailers) shows that ***air freight's market share has effectively remained unchanged over the period 2009 to 2019, at around 1.5%.*** *As illustrated by table 2 below. Overall, sea freight is by far the dominant mode. These modes of shipping are effectively air freight's 'competitor' in the movement of finished consumer cargoes."* (Page 19 OVE Arup)

The essential reason for this is cost airfreight being 16X more expensive that goods shipped by sea. The Steer report clearly understood these facts in their 2018 report as they graphed volume growth which clearly showed a flat line for Freighter only carriage and only a slight rise in bellyhold cargo. Most of the bellyhold is carried in and out of Heathrow which up to the end of 2019 carried 2/3rds of all UK airfreight.

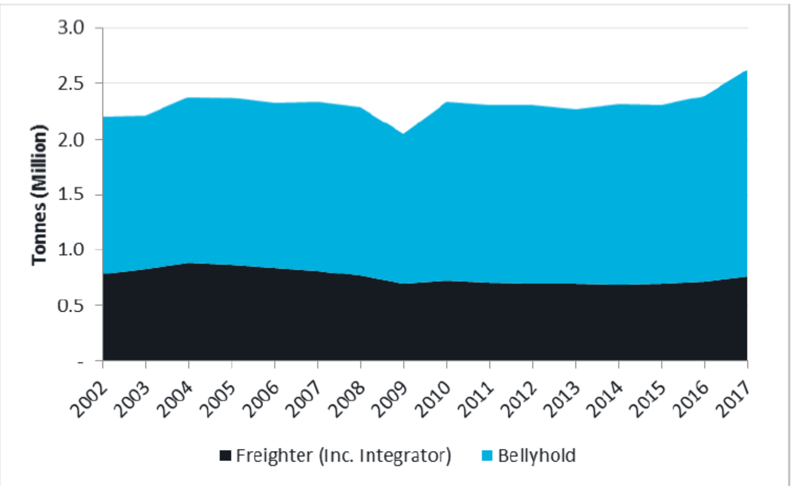
During 2020 with the onset of Covid and the decimation of passenger flights airfreight reduced by 1/5th and with most freight being carried on pure freighters however it is clear from the events in 2021 and the reopening of passenger flights in the UK and worldwide in July that CATM's are reverting back to their previous pre 2020 configurations.

The 3 main airports for freight in the UK are Heathrow, East Midlands and Stanstead and the respective volumes are in the 2nd pie chart below

Volume growth

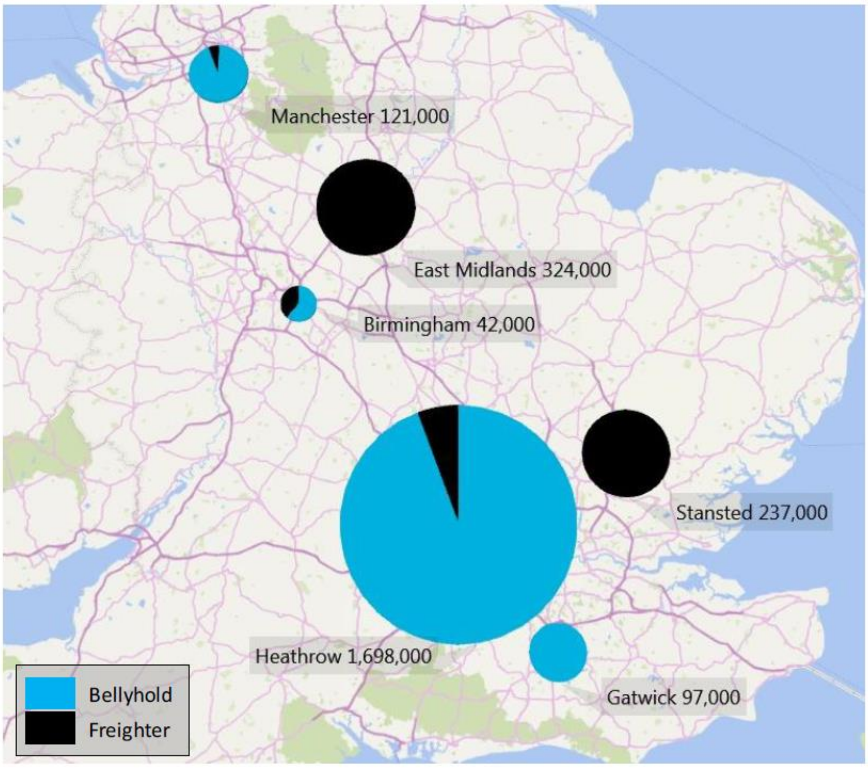
3.6 Figure 3.2 shows the development of total UK freight volumes in the last 15 years. Aside from the decline in 2009 due to the fallout from the financial crisis, total volumes have remained relatively flat, growing with a compound average growth rate (CAGR) of +1.2% over the 15-year period with volumes only surpassing the pre-crisis peak in 2016.

Figure 3.2: UK freight volumes, Million Tonnes (2002-2017)



Source: CAA

Figure 3.1: Freight volumes at six largest UK airports, tonnes (2017)



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So looking at the post Covid figures from the 3 main cargo airports it is clear that from July 2021 the market is reverting back to pre-covid volumes perhaps quicker than even Ove Arup believed in their report.

	Heathrow 2021			2019	
	Belly	freighter	total	total	
January	44370	49411	93781	130692	
February	39291	110558	149849	128065	
March	46253	91860	138113	149417	
April	45384	96160	141544	132893	
May	47189	70311	117500	134028	
June	53671	57388	111059	130873	
July	63802	75385	139187	130589	
August	67105	44391	111496	126864	
Septembei	77304	39085	116389	125693	
October	90636	42966	133602	137875	
November			0		
December			0		
Totals	**575005**	**677515**	**1252520**	**1326989**	**-5.61%**

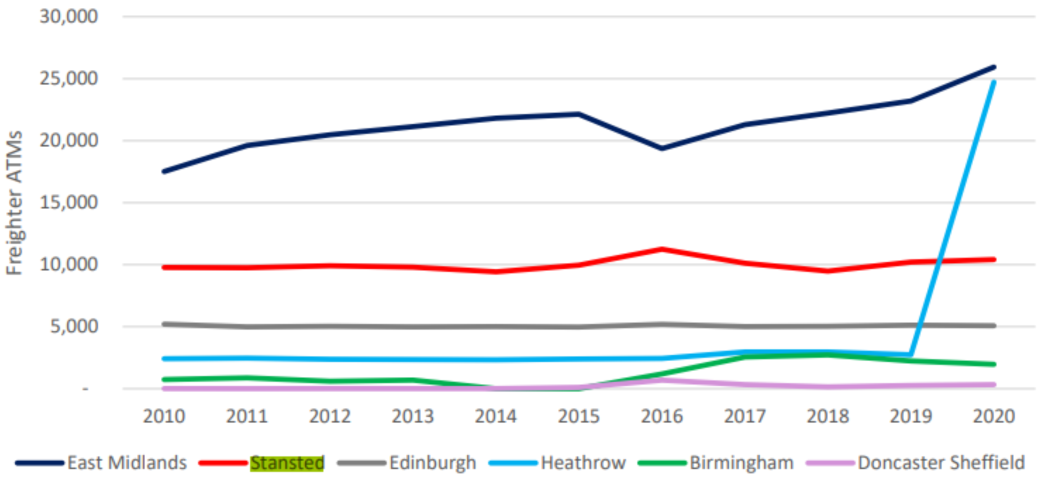
	EMA 2021			2019	
	Belly	Freighter	Total	total	
January	0	31105	31105	27603	
February	0	32006	32006	24428	
March	0	38053	38053	28914	
April	0	38076	38076	26983	
May	0	35124	35124	28291	
June	0	35061	35061	26301	
July	7	34099	34106	28495	
August	0	31886	31886	25298	
Septembei	0	35790	35790	28270	
October	0	39915	39915	32000	
November			0		
December			0		
Totals	**7**	**351115**	**351122**	**276583**	**26.95%**

	Stanstead 2021			2019	
	Belly	Freighter	Total	total	
January	53	22278	22331	17444	
February	61	18758	18819	14592	
March	77	24552	24629	19662	
April	99	22605	22704	16817	
May	16	22037	22053	17551	
June	10	21623	21633	16798	
July	16	21924	21940	18992	
August	9	22633	22642	18309	
Septembei	26	20185	20211	19555	
October	0	23189	23189	21126	
November			0		
December			0		
Totals	**367**	**219784**	**220151**	**180846**	**21.73%**

Although Heathrow is still running 6% behind 2019 it is clear that bellyhold is now well ahead of pure freighters with the clear winners being East Midlands and Stanstead with growth of 27% and 22% respectively.

4.19 **Figure 4.4** below presents freighter aircraft movements at the principal UK airports that handle air cargo over the last decade.

Figure 4.4: Freighter Aircraft Movements at Key UK Airports Between 2010-20



Source: CAA Statistics

Clearly the number of CATM's has only markedly changed at Heathrow with pure freighters rising with the fall in bellyhold however 2021 will show that change moving back to a more normal configuration. It is also clear that the applicant hasn't understood the volume of airfreight has actually reduced by 21% in 2020 despite the growth in E-Commerce. Their assumption is an increase in E-Commerce will lead to an increase in airfreight. Ove Arup's report states

"Contrary to the propositions above, York Aviation on behalf of Jennifer Dawes seeks to cast doubt on the link between e-commerce and air freight:

"Increases in e-commerce activity, however, do not necessarily lead to an increase in the volumes of air freight carried to or from UK airports. Consumers have long purchased goods made in China for

example, which are transported to the UK by both air and surface modes. Even if some goods that were previously bought in physical stores are now bought online, these goods generally share the same journey from China to the UK, but rather than being shipped directly to the retailer's distribution centre for onward travel to the physical store, they are being shipped to an online retailer's distribution centre for last-mile dispatch direct to consumers. Therefore, whilst increased e-commerce activity has resulted in an increase in demand for last-mile logistics between distribution centres and consumers, there has so far been a negligible net impact in the volumes of air freight carried to and from UK airports." (paragraph 4.36)

And

When airfreight volumes are compared to the increase in e-commerce there does not appear to be any correlation. Figure 1 below illustrates the percentage change in internet retail sales (£ millions, all sectors) between 2009 and 2020, alongside the percentage change in air freight volumes (total tonnes from all reporting UK airports) over the same time period (page 19 Ove Arup report)

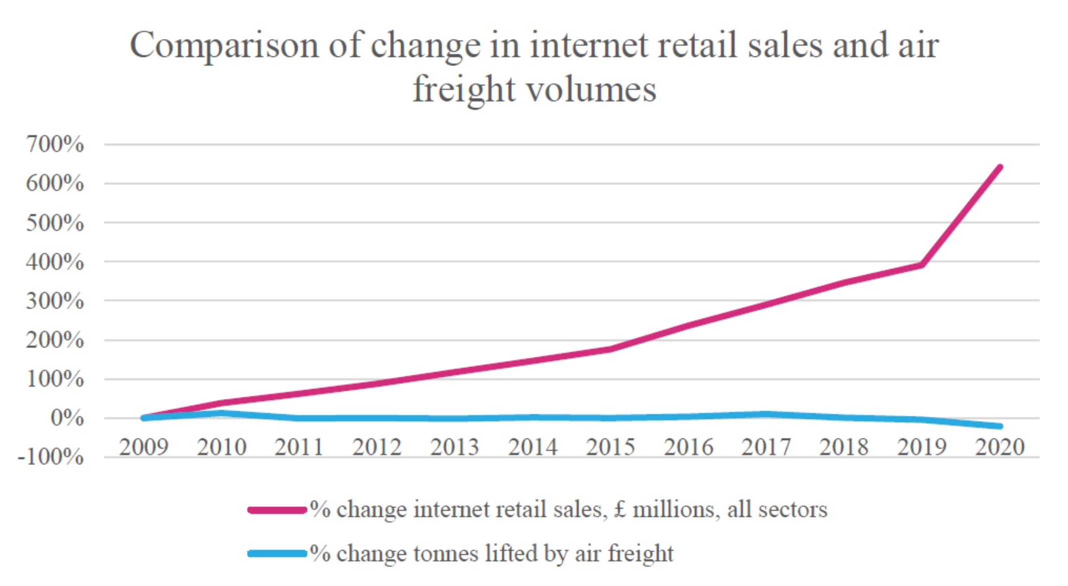


Figure 1: Change in internet retail sales and air freight volumes indexed from 2009[19] [20]

Also within the applicants submission is the rather naïve belief that much of the airfreight is lost to HGVs which take goods to and from airports abroad, this was highlighted in the Steer report as follows

Trucked freight

2.24 Alongside the business models described above, a significant amount of air freight is transported in customs-bonded trucks between the UK and continental Europe and is classified as air freight with an assigned flight number. Freight is often flown to continental Europe, particularly from Asia, as there is often more available air freight capacity than to UK airports, partly due to lack of available slots for freighter aircraft at Heathrow. The freight is trucked as bonded freight to avoid having to undergo local customs procedures so that importers only need to deal with the UK customs authorities rather than investing in systems to deal with multiple customs authorities. This represents an inefficiency from the perspective of the UK economy as whole. See also the Case Study on consumer electronics imports at the end of this chapter.

2.25 In contrast to goods from Asia, Heathrow stated that goods destined for North America are also often trucked to the UK, in particular Heathrow, from continental Europe in order to take advantage of cheaper rates from the UK on North American routes. As Heathrow is the primary European hub for North American passenger connections, there is a significant level of bellyhold capacity available, which means air freight rates are cheaper compared to other European airports.

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In fact during the period back to 2009-2014 Manston was trading as a Cargo airport yet despite the assertion that London Centric airports were at capacity Manston never grew as a cargo airport. You have to wonder where this naïve belief has come from. In fact most of this trucked cargo could have gone to East Midlands which would have been a quicker and more convenient airport but that never happened either.

East Midlands, Stanstead and Heathrow have combined achieved between 80-90% of all aircargo during the last 10 or so years yet growth has been slow as the graph below shows

	Table_15_Freight_by_Aircraft_Configuration								
				% change on previous year			2010-2019		
	Bellyhold	Freighter	Totals	BH	Freighter	Total	BH	FR	Total
2010	1604082	720740	2324822						
2011	1600643	698958	2299601	0%	-3%	-1%			
2012	1607598	694729	2302327	0%	-1%	0%			
2013	1573738	688648	2262386	-2%	-1%	-2%			
2014	1626963	677524	2304487	3%	-2%	2%			
2015	1611402	687925	2299327	-1%	2%	0%			
2016	1676594	707813	2384407	4%	3%	4%	5%	-2%	3%
2017	1861759	760737	2622496	11%	7%	10%			
2018	1873704	772005	2645709	1%	1%	1%	17%	7%	14%
2019	1763776	771646	2535422	-6%	0%	-4%	10%	7%	9%
2020	766149	1236037	2002186	-57%	60%	-21%			

Between 2010 and 2019 growth was just 9% with belly hold growing by 17% and pure freighters just 7% and that only with a very big increase in 2017.

Where the applicant finds their figures from isn't hard to find as they spurn actual figures and would prefer people to view their crystal ball forecasts through rose tinted spectacles.

It is clear from Ove Arup's report they aren't convinced the applicant knows what they are talking about however the pro-airport supporters want aviation back at Manston. Many of these supporters will not be affected by the low flying aircraft. They are confused however between the words "Want" and "Need".

I'd like to quote from the esteemed Ramsgate Society which is made up of people that only wish the best for Ramsgate and the wider East Kent area. They said:

"There is a world of difference between "want" and "need". Want is about desire and aspiration, Need is something required, where a deficiency causes a clear adverse outcome. There are those in Thanet and beyond, including politicians, whether consciously or otherwise, are content to conflate the two. A "wish" is based on feeling and emotion, "need" is tangible, measureable and evidence based.

The key factor in this (debate) is "Need"

If the DCO is approved and the development goes ahead it will inevitably be a business failure because fundamentally there is no market need, however much sections of the population may wish for airport jobs and cheap convenient continental air travel that will not trump stark commercial realities. The project is being touted on a false prospectus"

There are plenty of White Elephant Airports in Europe, China, and Africa that were built on "Want".