

Growth in volumes a top priority

Airfreight volumes are expected to stabilise in January after a spike at the end of 2022 due to the high season.

According to Tiago Pocinho, country manager for Rangel South Africa and Zambia, this is a likely trend as businesses are increasingly opting for a just-in-time policy and reducing stock levels.

Rangel Logistics, recently certified as an agent by the International Air Transport Association (Iata), has embarked on a strategy to grow its airfreight portfolio in 2023.

“Being an Iata agent brings benefits such as access to better rates, improved control of the cargo, and compliance with international standards,” said Pocinho. “Growing our airfreight department has been a priority for the company. The certification by Iata and our World Cargo Alliance (WCA) offers serious opportunities for our airfreight business and our local clients, especially at a time when airfreight rates are starting to fall.”

According to Pocinho, there is also a growing trend towards multimodal transport solutions in Africa, making it imperative that logistics operators have a strong

foothold in all areas. “Currently, in the African market, due to insufficient routes with direct flights, we see a growing trend towards combining air and sea transport with road transport. Our strategy is to increase our air cargo capacity and grow the unit within our business. This will allow us to strengthen our team’s ability in strategic sectors such as pharmaceuticals, fast-moving consumer goods, and food and perishables.”

He said the ability to offer various solutions to customers remained critical to the business, while covering the widest geographical area possible.

“The air transport industry has been growing in recent years. Many customers switched to airfreight due to the constraints in ocean freight that were intensified by the Covid-19 pandemic. The increase in freight rates also played a role.”

He said despite challenges in the airfreight sector, including the lack of direct flights as well as the ongoing flight restrictions and cancellations, it was a sector Rangel had identified for growth, and ongoing investment in its airfreight capacity could be expected throughout 2023.

Industry faces staff retention challenge

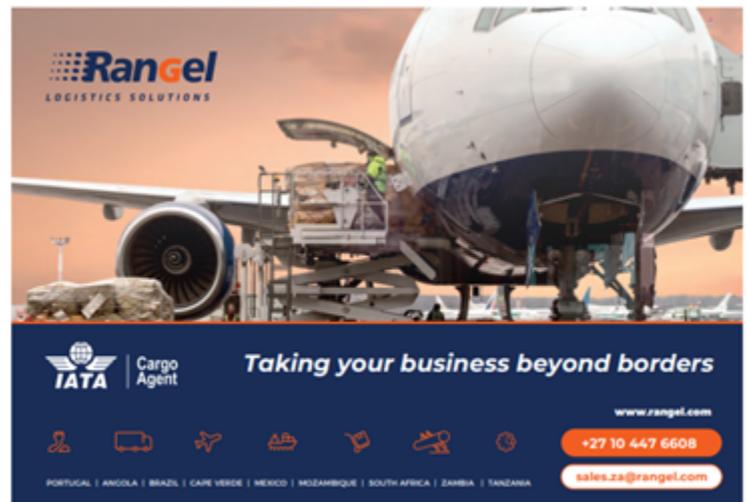
The risk of recession is one of the biggest concerns facing the air cargo sector in the short term as consumer activity is what drives demand, says Glyn Hughes, director general of The International Air Cargo Association (Tiaca).

“There are also challenges associated with the workforce, with recruitment and retention challenges in almost every industry sector. We need to re-evaluate how we attract and retain staff, recognising that today’s workforce has different expectations.”

He told *Freight News* that the industry also faced sustainability challenges as customers, partners, employees, regulators and financial partners increased their demands for demonstrated and verified credentials across the full array of sustainability

criteria. “In this regard, Tiaca has launched a programme, BlueSky, designed to help companies in this regard. In the short term, we may also face some model shifts as economies slow down and manufacturers seek less expensive supply chain solutions.”

He said despite the numerous challenges, it was uplifting to see how the industry was addressing the critical issues within its scope of influence. “Internal factors such as digitalisation, innovation, collaboration, transparency, sustainability and workforce challenges are featuring on CEOs’ radar, and we are seeing positive action on all these topics. This leads me to be very confident that the industry is well placed to capitalise when the next period of growth occurs.”



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