

Air Cargo Africa panel discusses continent's e-commerce potential

On the first day of the fourth edition of the biennial trade fair, ACA 2017, organised by STAT Media Group at the Emperors Palace last week, Air Cargo Africa (ACA) 2017 kicked off its discussions with an interactive dialogue on 'Unlocking Africa's civil aviation potential: the time is now to set the rules for tomorrow.'



The session had a look at Africa's current growth potential as well as the challenges hindering economic development. The continent's burgeoning young population formed a strong area of focus during the debate, which explored Africa's population as both a future workforce and customer to stimulate prosperity.

Currently, the region has the youngest population in the world and it is estimated that by 2050, Africa will make up 20% of the global population. This places it in a solid position to become a major player in the e-commerce industry.

However, although air cargo infrastructure is growing, it is the lack of ground infrastructure – such as road transport, logistics, governance, credit card penetration and common local regulations – that are proving to be obstacles to e-commerce. In addition, security on the continent in particular affects the 'final mile people', who without an adequate payment infrastructure act as 'mini ATMs' carrying 'wads of cash' for COD payments, placing them in a vulnerable position.

As the panellist stated, the people of Africa are certainly ready for e-commerce, but Africa is not. Keen interest was demonstrated by creating advocacy and collaboration amongst influencing parties to shape policies that address the

challenges on the ground. Talk especially focused on setting up effective ground cargo programmes that reflect the current successful air cargo initiatives taking place on the continent.

Of note too is that the region is a frontrunner of mobile connection and handheld technology, making it a ripe region for the adoption of e-commerce.

Infrastructure therefore urgently needs to catch up and a solution is through investment – be it an attractive proposal for private investors, especially property investments, or the repurposing of air passenger cargo for small package deliveries.

The conclusion was that in order to improve, partnerships in Africa that provide an ease of access to the market through open skies and the harmonisation of regulatory requirements across borders, are essential. Simply put, successful air cargo needs to be combined with solid ground services.

The International Air Transport Association's (IATA) global head of cargo, Glyn Hughes, moderated the panel discussion. The panel members were Graham Perkins, VP sales and marketing, (EMEIA), Atlas Air; Barry D Nassberg, group COO at Worldwide Flight Services; Rudolf Steiner, senior VP cargo, global accounts and commercial at Swissport International; Rainer Mueller, VP commercial at Saudia Cargo; and Jan de Vegt, COO at Kenya Airways.

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