



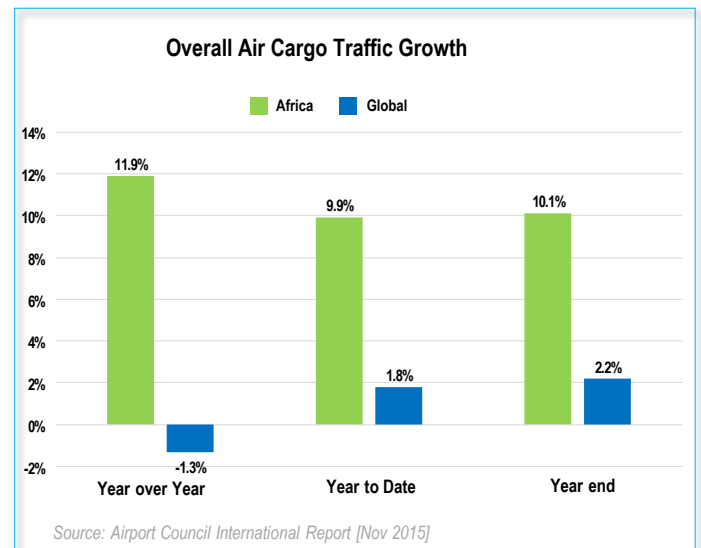
# African Air Cargo on the Growth Curve: IT to be Key Enabler



Africa has emerged to be one of the important regions in the global arena, from an economic and political perspective. The African air cargo market is the second fastest growing for the year-to-date and is expected to create 7 million jobs and 80 billion USD in economic activities in the region, thus driving up the economic growth.

There are a number of developments happening at the African airports and terminals and the region is likely to witness further rise in the air traffic movement with the much anticipated liberalization of air services in 2017.

Ethiopia is building Africa's largest air cargo terminal, estimated to handle 600,000+ tonnes per year. The dedicated cargo operations by African airlines is set to rise and countries such as South Africa, Nigeria, Ghana, Ethiopia, Kenya and Mauritius are taking a lead role in improving air cargo facilities and services.



## Current state of Industry Limits the Growth Take Off!

The Industry associations & leaders in Africa are well aware of the state of African Infrastructure, lack of skilled resources and relatively low cargo volumes being handled by the regions Airports. The level of IT penetration is seen to be a limiting factor in realizing the full growth potential for Africa's Air Cargo. The current technology landscape in African Air Cargo industry comprises of either legacy system that is obsolete or manual operations that are highly inefficient and non-scalable. However there is a greater access to next-generation IT solutions available today than ever before.

## IT Criticality for African Air Cargo

Digital revolution, ably backed by modern & integrated technologies can help remove the intermediaries and plug **revenue leakages** due to prevalent unethical transactions in the region. Cargo operators need to automate their overall export and import processes to address inefficiencies in cargo handling processes and attain expected growth potential.

The industry needs **EDI-based Technology** that enables seamless data exchange between various entities and stays compliant to key industry regulations. The first step is to realize **Industry wide initiatives like e-Freight** and gear up for 100% e-AWB by 2017 as per the mandate to facilitate global trade. The need for the African Air cargo is also to factor the **emerging trends** such as- e-commerce and drone based delivery that will impact the overall business competitiveness. Given the business drivers and benefits of technology, there is an inherent need for modern, next generation Air Cargo management Systems that are cloud based, packaged applications based on pay-per-use models.





## Collaborative Platforms: Defining the Air Cargo Industry Worldwide

As per a recent decision on establishment of African Free Trade Area (AFTA) by 2017, regional integration, collaboration and partnerships are key to this development. A community technology solution that brings together all the related entities, such as airlines, shippers, freight forwarders, customs, ground handlers and agents on a common platform to manage cargo movement and operations, will be an important step to enable collaborative initiatives.

### Kale's work in Air Cargo Space

Kale Logistics Solutions is a leading global Industry focussed IT solutions provider to the Logistics and Airports industry.

Kale has delivered the pioneering innovative platform – *GMAX- India's & World's first Successful Airport Cargo Community Platform at Mumbai Airport*. India's First Airport Cargo mobile App developed by Kale Logistics was introduced at Mumbai International Airport.

Kale's *Air Cargo Management System- GALAXY* is a web-based global application in use at leading Airports worldwide. It is a state-of-the-art ground handling solution that encompasses modules for Export, Import, Domestic, Warehouse, ULD Management, PO Mail/Courier, SLA, Invoicing and a web portal for stakeholder interaction. A comprehensive EDI module enables connectivity using CARIMP messages with Airlines and XML/EDI with local Customs.

Since 2011, Kale's Cargo Community System for the Air cargo Industry- *UPLIFT* (India's first) has successfully driven e-freight/ e-AWB adoption levels in India taking India to 6th position worldwide in terms of e-AWB adoption. With 4 Million+ EDI transactions, 2500+ agents and connectivity to 90+ Global Airlines, *UPLIFT* has been India's most Innovative community platform which is Globally recognised in KPMG's 'Top 10 Innovations'. *UPLIFT* case study is also part of curriculum for SCM students at *KELLOGG B-School*.