

National Air Cargo Policy

January 8, 2021

In nws

The government unveiled national air cargo policy, which seeks **to make India among the top five air freight markets by 2025**, creating air transport shipment hubs at all major airports over the next six years.

About India's Cargo Sector

- As per the policy, **international cargo comprises 60 per cent of the total air cargo tonnes handled in the country, logging a growth of 15.6 per cent** in the previous fiscal, **while domestic cargo grew by over 8 per cent**, which reflects the skewed modal, in which **roads account for over 60 percent of cargo transportation** as compared to the global average of around 30 per cent.
- The **domestic express industry**, a key constituent of the Indian express industry, is estimated to be worth Rs 17,000 crore, the policy document said adding that the international express is estimated to contribute Rs 5,000 crore to the Indian express industry.
- As per the document, the potential in the new markets needs to be explored with **long-term infrastructure** creation in order to sustain cargo growth in the **next 10-15 years at least**.

National Air Cargo Policy

- **Seeks to establish agreements between** national carriers/freighters and integrators to improve domestic connectivity as well as encourage the establishment of agreements between national and international carriers/freighters and other airline operators to provide access to key global cargo hubs.
- **Aims to promote** the development of a last mile/first

mile connectivity program at international/regional gateways.

- **As part of the security strategy** under the policy, the strategy will address security related to the physical cargo, people handling the cargo, data and information related to shipments within and across all chains of custody transfers.
- To increase process transparency while decreasing shipment delays, costs and dwell time, a **fully automated paperless** trade environment with minimum face-to-face interactions will be implemented.
- **The policy covers all three categories of air cargo transport –**
 - Domestic cargo to ensure efficient flow of goods across India,
 - International cargo facilitating all indigenous export and import of goods,
 - Transit international cargo by making India the transit cargo hub of choice to and from other parts of the globe.