From:	[redacted]
To:	Manston Airport
Subject:	Re-determination of the Application by Riveroak Strategic Partners Ltd("The Applicant") For an Order granting Development Consent for the reopening and development of Manston Airport in Kent.
Date:	09 July 2021 21:42:10
Attachments:	KNMA Similar Merits of Stansted and Manston issues and Merits.pdf

To Secretary of State for Transport
Manston Airport Case Team,
C/O Planning Inspectorate
National Infrastructure Planning
Temple Quay House,
2 The Square.
Temple Quay,
Bristol BS1 6PN.
manstonairport@planninginspectorate.gov.uk
9th July 2021
Dear Sir,

Please find attached .pdf document , a further submission from KNMA ,as mentioned in our initial submission, in response to Re-determination of the Application by Riveroak Strategic Partners Ltd("The Applicant")

Re-determination of the Application by Riveroak Strategic Partners Ltd("The Applicant")
For an Order granting Development Consent for the reopening and developement of Manston Airport in Kent.
Ref: Statement of Matters 11th June 2021
KNMA believes that the Panel of Planning Inspectors' balancing of evidence and arguments considered in the determination of the Stansted Planning Appeal should be deemed relevant to the Secretary of State for Transport in re-determining the Manston Airport DCO Application.
Accordingly, in this further submission (attached)to the Secretary of State, KNMA shows how and why adopting the reasoning and conclusions of this very recent Stansted Planning Appeal Decision will help the Secretary of State to conclude that the case in favour of development consent for the Manston Airport NSIP Application is compelling.
By KNMA Committee Member [redacted]

KNMA are a Corporate Member of the Thanet & East Kent Chamber and of the Dover Chamber of Commerce, our KNMA members represent many East Kent businesses . We have attended hustings and meetings of these Chambers in the past and know that almost every Member of them has supported the airport's regeneration, at some meetings unanimously. They certainly wished for RiverOak's DCO to succeed in all of its objectives. Your granting of the Manston DCO is the best positive news for Thanet and East Kent in this century.

Please acknowledge that the attached document can be opened by you.

[redacted]

Chairman for and on behalf of KNMA Group.
Dedicated to supporting Manston Airport first and fore most as a centre of excellence for aviation facilities

Kent Needs Manston Airport

[redacted]

Submission by **Kent Needs Manston Airport**

For the Attention of the Secretary of State for Transport, in response to his

Public Consultation on

The Redetermination of the Manston Airport Development Consent Application

The four questions that the Secretary of State for Transport has put to all Interested Parties on 11 June 2021, in his Statement of Matters letter, are issued and may be answered in similar ways in the Decision published on 26 May 2021 by three experienced Planning Inspectors who, between January and March 2021, after having heard and received evidence during 30 days of hearings on an Appeal against a Refusal of Planning Permission for an Application that Stansted Airport had made to Uttelsford District Council back, a decision reached by that Council in 2018.

The Secretary of State, in his Statement of Matters Letter, sought information generally from Interested Parties in the Manston Airport case on:–

• the extent to which current national or local policies (including any changes since 9 July 2020 such as, but not limited to, the re-instatement of the ANPS) inform the level of need for the services that the Development would provide and the benefits that would be achieved from the Development;

• whether the quantitative need for the Development has been affected by any changes since 9 July 2019, and if so, a description of any such changes and the impacts on the level of need from those changes (such as, but not limited to, changes in demand for air freight, changes of capacity at other airports, locational requirements for air freight and the effects of Brexit and/or Covid);

• the extent to which the Secretary of State should, in his re-determination of the application, have regard to the sixth carbon budget (covering the years between 2033 – 2037) which will include emissions from international aviation; and

• any other matters arising since 9 July 2019 which Interested Parties consider are material for the Secretary of State to take into account once again, in his redetermination of the application.

The Stansted Planning Appeal likewise considered:

• Key Policy Documents:
    Airport Planning Framework [APF],
    Airports National Policy Statement [ANPS], and
    Britain's Beyond the Horizon – The Future of UK Aviation: Making Best Use of Existing Runways ['MBU'] at paras. 3 – 30 on pp. 3 – 7;
• Environmental Issues:

Noise, at paras. 31 – 58 on pp. 7 – 10;
Air Quality, at paras. 57 – 81 on pp. 10 – 14;
Carbon & Climate Change, at paras. 82 – 102 on pp. 14 – 17;

- Other Matters:
  Local Context, at paras. 104 – 105 on pp. 17 – 18;
  Health & Well Being, at paras. 106 – 107 on p. 18 {*very* briefly};
  Ecology, at para. 108 on p. 18 {again, *very* briefly};
  Socio-Economic Effects [especially in the context of the ES and ESA]
  at paras. 109 – 111 on pp. 18 – 19;
  Surface Access, at paras. 112 – 115 on p. 19;
  Planning Obligations, at paras. 124 – 127 on pp. 21 – 22;
  Conditions [not applicable to anything but that particular locality]
- Planning Balance [especially in relation to the Draft Local Plan]
  at paras. 149 – 158 on pp. 25 – 27 [especially in relation to noise, air quality, gas emissions, carbon emissions, highways issues, aviation policy, and the emergent local plan]
- Conclusions, at para. 159.

Although the Stansted Planning Appeal was an Appeal against Refusal of Planning Permission for a non-DCO project (and came under the Town & Country Planning Act because it did not meet the minimum level of development that would have required Development Consent under the Planning Act 2008 for a Passenger Airport DCO), it did involve a project that would have a far greater impact upon the locality and on what many believed to be overwhelmingly detrimental on environmental issues than the Manston Airport DCO, it did deal with similar issues, so the manner in which it did so bears at least close attention due to the resemblance of those issues that divided local opinion in Uttersford to the topics that now fall to be reconsidered and weighed in the balance by the Decision-maker in the Manston Airport Project, once again, in the redetermination of that great infrastructure development Application.

Therefore KNMA believes that the balancing of evidence and arguments in the determination of the Stansted Planning Appeal should be deemed directly relevant to the Secretary of State for Transport's determination of the Manston Airport DCO Application. Where a Development Consent Project is concerned, however, it is clear that the formal requirements that have to be considered are far more complicated technically, but notwithstanding greater complexity in the details that he has to consider, the Decision-maker in a DCO actually has far more discretion where it comes to the weight he gives to different issues when in the balancing of their merits and detriments, provided that he does at least consider (and the system does not required him to explain how he did so exhaustively, just intelligibly, all the issues regarded as relevant (which for the avoidance of doubt the quite separate Examining Authority ensures through a formal Examination, Report and (non-binding) Recommendations, as comprehensively as any Secretary of State might wish, when it then becomes his Decision to grant or refuse Development Consent.

KNMA wishes show how and why adopting the conclusions of the Stansted Planning Appeal Decision to overturn the Uttersford District Council's refusal of planning

permission for the Stansted Airport expansion scheme can demonstrate why the Decision-maker redetermining the Manston Airport should conclude that the case in favour of granting Development Consent for the Manston Airport NSIP Application is compelling.

In effect, a number of the questions put by the Secretary of State through the document copied here pertain to matters which he has no power to reopen in the Manston Airport case. Arguably, he can only really address the matter of Need *de novo*, for that issue was the one ground on which a judge quashed his original Development Consent Order with the agreement of the Government, the Project Applicant as interested party, and the Appellant, who were all represented by Counsel, for the purpose of re-considering that part of the Decision-maker's original Determination to give Development Consent to the Applicangt. The other two grounds on which Judicial Review was sought by Jenny Dawes and the No Night Flights group behind her were NOT conceded by RiverOak or by the Government when the original Decision was quashed without any testing by the High Court. They in effect fell away when the Appellant (Dawes), Defendant (The Secretary of State) and the DCO Project's Applicant (RiverOak, as 'Interested Party' in those proceedings) reached agreement on the grounds for quashing the initial Decision and Order. All other grounds for objection to the DCO Decision and the Decision Letter were at that point dropped, with the agreement of the Parties. It is now KNMA's submission, there can be no question of returning to those abandoned grounds, at least not by the parties to the letter seeking to quash the Manston Airport Development Consent Order and that Decision Letter.

So let's take a selection of relevant issues that correspond to the aspects of the Need and Detriments for the two airports, focussing our attention on the issue of Need (which is the one point that during the Judicial Review it was conceded by the Government that greater clarity ought to have been given in the Decision Letter of the Decision-maker).

This, then, from the Stansted Decision:

> Socio-Economic Impacts
>
> 109. The ES and ESA demonstrate that the proposal would be of social and economic benefit by enabling increased business and leisure travel. Leisure travellers would benefit from increased accessibility to foreign destinations. Businesses would benefit through increased inward investment. The economy would benefit through increased levels of employment and expenditure. Associated with employment growth, training facilities would be supported. Representatives of business, including local and regional business Appeal Decision APP/C1570/W/20/3256619 https://www.gov.uk/planning-inspectorate 19 organisations, transport operators, and the Stansted Airport College expressed their support for the proposal at the Inquiry. The social and economic benefits of the proposal are not disputed by the Council.

> 110. SSE and interested parties have questioned several of the assumptions made in the ES and ESA, including those regarding the level of job creation, the suitability of those jobs for local people and the effect of the proposal on the trade balance. The appellant has demonstrated, however, that the assumptions made in the ES and ESA are appropriate and robust. The evidence base that has been used and the modelling undertaken are also questioned but these are sufficient to demonstrate the benefits. Furthermore, even if some of the assumptions made by SSE and interested parties proved to be correct, such as a lower level of job creation than expected, a considerable number of beneficial jobs would still be created.
>
> 111. It is likely that increased economic prosperity in the south-east and east of England would not be at the expense of growth elsewhere in the country but would rather assist the growth of the UK economy as a whole. There is no reason to believe that the development would divert investment from other parts of the country that need investment or prejudice the Government's 'levelling-up' agenda, particularly as the development seeks to meet an established need for airport expansion in the south-east of England.

Still, it is still to be noted that these were not really "issues", per se, at Stansted and thus scarcely touched upon, but it is obvious that there were real benefits and real detriments, and that the proponents and opponents of the Stansted Airport Planning Appeal were just as passionate and partisan as their counterparts in the Manston Airport Development Consent dispute.

The final lines of the Decision reached by those three superb Planning Inspectors who conducted a public inquiry into Uttersford District Council's refusal of planning consent for a modest increase in passenger flights and a significant decrease in cargo flights from Stansted Airport are worthy of consideration by anyone writing submissions in response to the Secretary of State for Transport's redetermination of the Manston Airport Development Consent Order:

> "158, Overall, the balance falls overwhelmingly in favour of the grant of planning permission. Whilst there would be a limited degree of harm arising in respect of air quality and carbon emissions, these matters are far outweighed by the benefits of the proposal and do not come close to indicating a decision other than in accordance with the development plan. No other material considerations have been identified that would materially alter this balance."

Those few words establish the Reasons for the Decision. The brevity of the summation of their reasoning is in no way blameworthy. Under the Planning Act 2008 regime, of course, the Decision-maker is expected to go much further, but there is no injustice occasioned by the manner in which the Stansted Airport Decision was explained. It has not been appealed. It is sound. That Panel's finding of facts is timely and exceedingly recent.

The Decision reached by the Panel was clear and brief. It was published on 21 June 2021 and ever so slightly amends the text of the Decision originally published on 26 May 2021. It was actually set out in the first paragraph of the Decision and last:

> "Decision
>
> 1. The appeal is allowed and planning permission is granted for airfield works

comprising two new taxiway links to the existing runway (a Rapid Access Taxiway and a Rapid Exit Taxiway), six additional remote aircraft stands (adjacent Yankee taxiway); and three additional aircraft stands (extension of the Echo Apron) to enable combined airfield operations of 274,000 aircraft movements (of which not more than 16,000 movements would be Cargo Air Transport Movements) and a throughput of 43 million terminal passengers, in a 12-month calendar period at London Stansted Airport, Essex in accordance with the terms of the application, Ref UTT/18/0460/FUL, dated 22 February 2018, subject to the conditions contained in the attached Schedule."

,,,,

“Conclusion

159. In light of the above, the appeal is allowed.”

Stansted Airport won. And KNMA submits that in Redetermination of the Manston Airport Application, the Decison-maker also should decide, not for the first time, to grant Development Consent to the Applicant. Both projects, in different ways and under different planning regimes, are nationally significant projects, much needed by the country for its prosperity, notwithstanding their relatively small detrimental harm, and the points at issue are remarkably similar, but only the smaller proposed development, the Manston Airport Application, has already be found by the relevant Secretary of State to satisfy all of the criteria required to be accepted for examination as a designated Nationally Significant Infrastructure Project and therefore subject to DCO Law and Practice.

For and on behalf of Kent Needs Manston Airport, by [redacted]
AB, MA (History), PhD (Econ.), LLB, BVC, FRHistS since 1976; MBIM., 1979-1992; MBIICL, 1991-2011. Formerly IMTFE Research Project Lead, London School of Economics & Political Science, Univ. of London; MacArthur Research Fellow, Kings College, Univ. of London; Simon Senior Visiting Research Fellow, Univ. of Manchester; Fellow of St. Antony’s College, Oxford Univ.; various teaching posts in the USA and UK; retired academic and recognised as a leading authority within cognate fields of History, International Relations, Politics and Law; independent consultant; company managing director & president; author; editor; commissioning editor, and broadcaster, with more than 180 published books, and author of numerous articles in peer-reviewed academic journals. Co-Founder and former Treasurer & Vice-Chair of the Save Manston Airport Association, and Member of Kent Needs Manston Airport.

To Secretary of State for Transport
Manston Airport Case Team,
C/O Planning Inspectorate
National Infrastructure Planning
Temple Quay House,
2 The Square.
Temple Quay,
Bristol BS1 6PN.
manstonairport@planninginspectorate.gov.uk
30thJune 2021
Dear Sir,

Re-determination of the Application by Riveroak Strategic Partners Ltd("The Applicant")
For an Order granting Development Consent for the reopening and development of Manston Airport in Kent.
Ref: Statement of Matters 11th June 2021
Paragraph:
2.1 Level of Need & Benefits.

Manston Airport the Employment and Education NEED

In General terms the need for more cargo capacity in the UK is growing by the day, certainly as worldwide air freight is continually growing in volume worldwide but especially for the UK, as we see more and more clearly each day, post Brexit, the shape of our future, global trade which will definitely be heavily dependent on air transport.

Another case for need is the fact that aviation is one of the fastest growing industries in the world, despite the current challenges that we face which will define it's future.
Globally, there is a well known and accepted serious and increasing shortage of skilled personnel throughout the industry. Boeing and Airbus have forecast similar figures in their respective Global Market Forecasts 2019-2038.
Over the next 20 years they (Boeing)forecast a shortage of 769,000 maintenance technicians, 804,000 Pilots, 914,000 cabin crew. Europe and the USA are particularly badly off with a looming massive retirement surge in the next decade. It gets worse because there is also a massive lack of suitable training capacity for all these new people, not just in terms of instructors and facilities, as technology advance's, There will be a demand for new knowledge and skill sets, new training methods and development of educational outreach programmes to inspire and recruit next generation professionals. A brand new, state of the art training facility, such as proposed by RSP as an integral part of the Manston project will be ideally placed to address these needs, and enhancing the existing airport infrastructure.
What better place to put a progressive training establishment than Thanet, which has long been recognised as a deprived area in terms of jobs*(April 2021 Thanet workforce aged 18-24 15.7% Kent 9.6% ref "ONS March

2021”), skills and educational opportunities. A thriving airport with an embedded training facility will provide good qualifications for the area's youth and unemployed and high skilled STEM jobs*** in which to use them. Spin off from the airport will end the endemic poverty*** in East Kent and increase the wealth and opportunities of the entire area. The entire operation will benefit the aviation industry and trade links and so, UK PLC.

By KNMA Committee Member [redacted] *Senior Engineering Officer BA,(Rtd) ,EASA-FIA flight instructor,EASA Commercial pilot,BALPA ,CAA approved TKI (Technical knowledge instructor),CAA Flight Engineer,CAA PT66 (a) Engineer .*

****See appendix c*

2.2 Quantitive Need.

Manston Airport the Business NEED

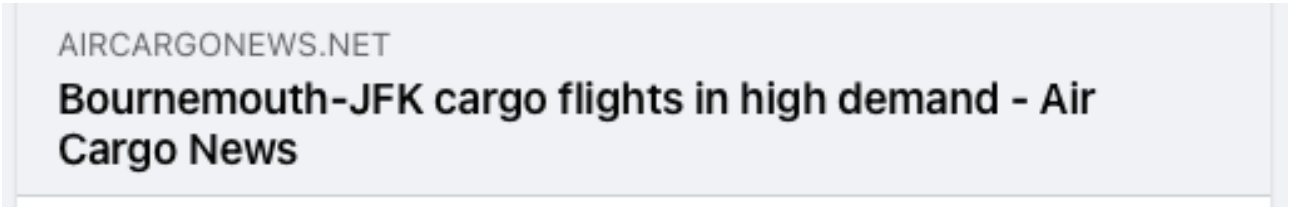
East Kent is the gateway to Europe and with Manston Airport the World.
The requirement by manufacturing for “JIT” (Just in time) deliveries , since Brexit and the arrival of Covid19 is now greater than pre-July 2019, with imported materials/products now in some case’s on 38/52 week delivery from world wide suppliers ,examples are “Texas Instruments”, “Analogue Devices” for electronics/semi conductors , Polymers etc, as used in the manufacture of plastic/UPVc products ,fresh food and Pharmaceutical components to name but a few.
Covid and Brexit has shown the limited flexibility of existing provision, for fast reaction to changes in demand.
Only air cargo ** can and has provided the fast efficient delivery of these provisions, without the need to tranship from Europe as in pre Brexit times.
Air cargo in the south east is currently a poor relation to passenger services ,provided by Heathrow,Gatwick and Stansted which prioritise passengers.unlike the East Midlands ,which has a dedicated air cargo airport ,and is now suffering with the increased need by E commerce.
With the rapid growth in the East Kent population due to the increased home building , businesses need to take advantage of this by providing employment* to these and the existing large number of unemployed * in the Isle of Thanet , not only will the airport provide direct employment* , but local business’s can and will wish to take advantage of this source of labour.
All of this refers to imports ,however it also applies to exports, from **South Eastern Exporters** of which there are many, and with new trading partners joining the UK , the latest being Australia and Japan ,the NEED for a dedicated air cargo hub is essential.

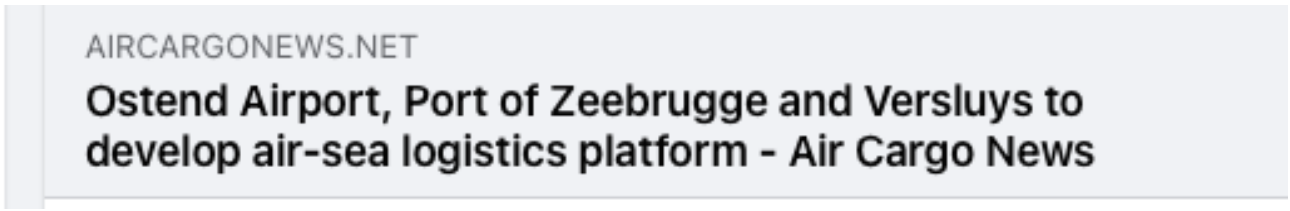
By KNMA Committee Member [redacted] ***Local Business Owner***

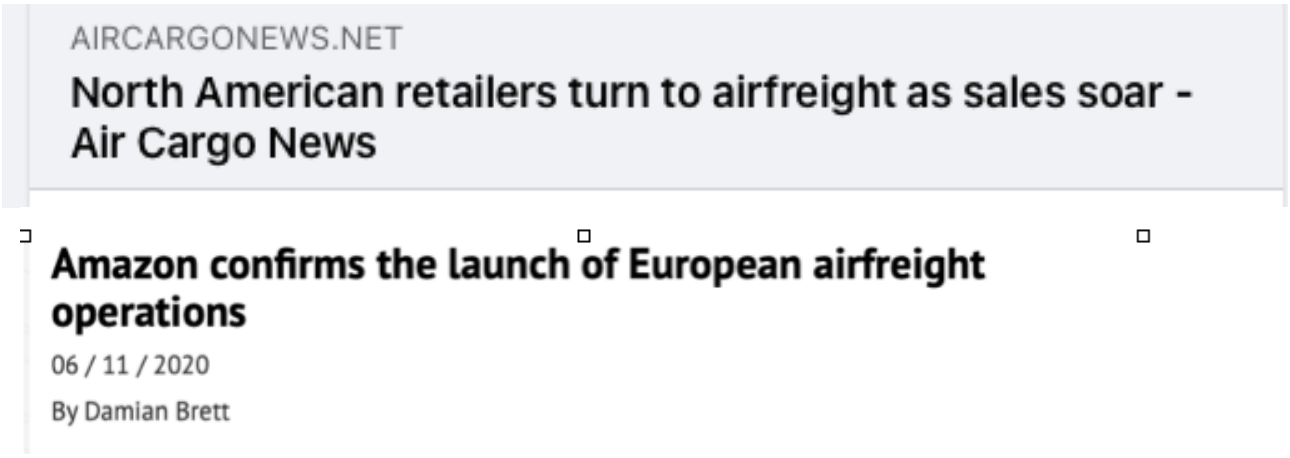
*** &**See appendix a & b*

2.3 Sixth carbon budget:
We defer comment ,to those more qualified ,but please see attached reference below.
*****See appendix d*

2.4 Other matters arising since 09 July 2019
Demand-US Retailers air cargo demand, and EU Airport reactions to demand.
CAA May 2021 report shows London area airports (Heathrow, Gatwick,Stanstead & Luton) air cargo, by cargo aircraft 16% higher than the same period in 2020 (118,399-102403 Tonnes),East Midlands International Air Cargo Hub 24% higher than the same period in 2020(35,214-28,404 Tonnes).
Heathrow in this period had a 10% increase in air cargo (70,311-63,751 Tonnes), with the return of passenger flights where will these air cargo flights go when all movements are taken up by passenger aircraft? Or will it mean even more by road down from East Midlands International to the South. East ,and subsequent increased emissions.







*****See appendix e

The four questions that the Secretary of State for Transport has put to all Interested Parties on 11 June 2021, in his Statement of Matters letter, correspond to issues addressed in the Decision published on 26 May 2021 by three experienced Planning Inspectors, who between January and March 2021 heard an Appeal against a Refusal of Planning Consent to Stansted Airport in an Application to Uttelsford District Council. The Inspectors granted the Appeal in favour of Stansted Airport and required the Council to pay all costs of the Appeal.

KNMA believes, that the Panel of Planning Inspectors' balancing of evidence and arguments considered in the determination of the Stansted Planning Appeal should be deemed relevant to the Secretary of State for Transport in re-determining the Manston Airport DCO Application.

Accordingly, **in a further submission to the Secretary of State**, KNMA will show how and why, adopting the reasoning and conclusions of this very recent Stansted Planning Appeal Decision will help the Secretary of State to conclude that the case in favour of development consent for the Manston Airport NSIP Application is compelling.

By KNMA Committee Members

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PLEASE REDACT ALL NAMES IN RED WHEN PUBLISHED

[redacted]
Chairman for and on behalf of KNMA Group.
Dedicated to supporting Manston Airport first and foremost as a centre of excellence for aviation facilities
Kent Needs Manston Airport
knma@isleofthanet.plus.com

Thanet & East Kent Chamber Limited
Powered by local business

*appendix **a**

Air Cargo Market Analysis

April 2021

Air cargo trends upwards on a favourable backdrop

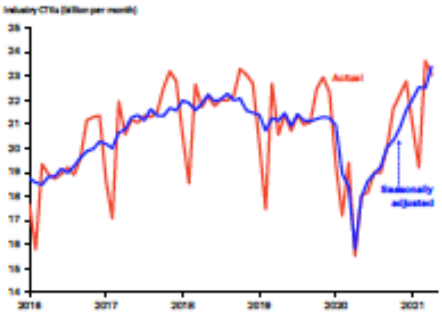
- Global cargo volumes continue to trend upwards at a strong pace. Industry-wide cargo tonne-kilometres (CTKs) grew by 12.0% in April compared to pre-crisis values in April 2019. Seasonally adjusted CTKs rose by 4.0% month-on-month, and are now around 5% above the pre-crisis peak of August 2018, before US-China trade wars had started.
- The industry is supported by a strong economic rebound as well as favourable supply chain dynamics, notably very low inventory levels and more competitive pricing relative to container shipping in recent months.
- Both air cargo rates and volumes are close to all-time high values, providing strong financial support to a number of airlines.
- Airlines in most regions are posting strong volume performance, notably in Africa and North America. But airlines based in Latin America are losing market shares to carriers elsewhere and have performed poorly in recent months.

Global air cargo volumes on a robust upward trend…

Global air cargo volumes climbed further in April amid a V-shaped economic recovery and broadly supportive conditions, and despite the lack of capacity. Indeed, industry-wide cargo tonne-kilometres (CTKs) were up 12.0% in April 2021 compared to the same month in 2019. This strength partly reflects a weak month of April 2019, when the industry was affected by the US-China trade dispute.

After stripping out fluctuations caused by seasonal patterns, air cargo displays a steep upward trend, started when strict lockdowns were lifted in May 2020. Seasonally adjusted (SA) volumes rose 4.0% month-on-month in April, the highest growth rate since September 2020. SA CTKs are now around 5% higher than the pre-crisis August 2018 peak **(Chart 1)**.

Chart 1: CTK levels, actual and seasonally adjusted



Sources: IATA Economics, IATA Monthly Statistics

This solid cargo growth performance this month was primarily driven by North American airlines (7.5 percentage points out of the 12.0% growth rate). But all the regions outside Latin America contributed positively to the growth outcome.

…amid a strong economic rebound…

The V-shaped recovery in sectors of the economy related to manufacturing and trade is continuing so far in 2021. Cross-border goods trade reached a new high in March 2021 (up 4.2% vs March 2019), with industrial production also elevated and growing **(Chart 2)**.

Chart 2: Global industrial production and goods trade

Source: IATA Economics using data from Netherlands CPB

The strong rise in demand for transportation benefits air cargo as well as the other modes of transport such as container shipping. This increase had not been fully anticipated, and with the problems caused by insufficient capacity, COVID control measures at trade

Air cargo market overview - April 2021

To aid understanding, the table includes both % comparisons with pre-crisis 2019 months and 2020 months.

	World share [1]	April 2021 (% ch vs the same month in 2019)				April 2021 (% year-on-year, 2020)			
		CTK	ACTK	CLF (%-pt) [2]	CLF (level) [3]	CTK	ACTK	CLF (%-pt) [2]	CLF (level) [3]
TOTAL MARKET	100.0%	12.0%	-9.7%	11.2%	57.8%	48.3%	49.4%	-0.4%	57.8%
International	65.5%	13.0%	-12.5%	15.0%	66.5%	53.0%	41.7%	4.9%	66.5%

[1] % of industry CTKs in 2020 [2] Change in load factor vs same month in 2019 [3] Load factor level

hubs and generally disrupted supply chains, is creating tensions in global trade.

...and favourable supply chain dynamics

One result of those tensions is the exceptionally low levels of inventories compared to sales in the US, which were down 6.4% compared to pre-crisis levels in April.

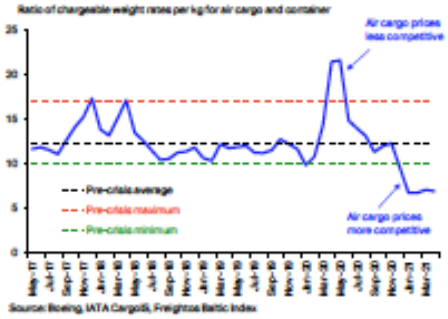
It is common that, at the start of an economic upturn, businesses turn to air freight in order to rapidly refill stocks as demand lifts, thus providing support to CTKs. In the current context, supplier delivery times have lengthened significantly, and many supply chains are now operating "just-in-time". That means businesses are likely to use air both to meet urgent demand, and to provide a buffer on stocks **(Chart 3)**.

Chart 3: US inventory-to-sales ratio, global CTKs

Sources: IATA, Thomson Reuters Datastream

Another symptom is the evolution of the relative price of air cargo compared to that of container shipping. Prior to the crisis, air cargo used to be around 12 times more expensive than ocean. While air cargo rates shot up in the early stage of the crisis around April 2020, they have stabilized since then, and container rates have grown faster **(Chart 4)**.

Chart 4: Prices of air cargo and container shipping, per kg of chargeable weight



Source: Boeing, IATA CargoIS, Freightos Baltic Index

The relative price of air cargo is currently low compared to its recent average. On top of being fast, air cargo is now also relatively cheap, creating a strong competitive advantage that is likely to attract some businesses.

The difficulty in rapidly increasing container capacity – which would make air cargo less attractive – and refilling inventories, combined with ongoing strong economic demand mean that those dynamics are likely to extend until late in 2021. We think air cargo will continue to perform well in the coming months.

A modest upwards trend in air cargo capacity...

In April, industry-wide available cargo tonne-kilometres (ACTKs) were 9.7% below their levels of April 2019. This was the third consecutive month of improvement, and SA volumes also rose for the third month in a row to the highest value since Jan 2020.

International passenger traffic – and consequently cargo belly capacity – did not improve in April compared to March. But international freighters ACTKs were up 26.2% versus pre-crisis value in 2019. As has been the case since the start of the crisis, airlines are regularly increasing their freighters fleet size as well as daily freighter utilization **(Chart 5)**.

Chart 5: Int'l belly cargo and freighter capacity growth

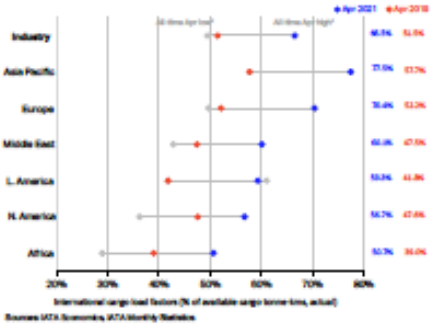
Source: IATA Economics using data from IATA Monthly Statistics

... but load factors and revenues are close to records

The upshot is that cargo capacity is still insufficient. While this is not to the same extend as container trade, the lack of capacity creates some headwinds for demand, as has been the case since the start of the crisis.

Moreover, it also means cargo load factors continue to trend close to record levels. The industry-wide cargo load factor was 57.8% in April, up 11.2 percentage points versus April 2019. International load factors were at a record-high level – but close to April 2020 – in all regions except Latin America **(Chart 6)**.

Chart 6: Cargo load factors by region



As air cargo rates broadly follow the trend in load factors, they were up around 85% compared to April 2019 – but 3% below April 2020 (including fuel and other surcharges). Both rates and volumes carried are close to all-time high values, a strong positive for certain airlines.

Int'l CTKs growth in line with that of the industry

The stark performance of global air cargo volumes was also reflected in international CTKs, which grew 13.0% in April 2021 versus April 2019. SA CTKs also follow a steep upwards trend. Among the regions we track, Latin America remains the main underperformer, while Africa and North America grew the most **(Chart 7)**.

Chart 7: Int'l CTK growth versus the same month in 2019 (airline region of registration basis)

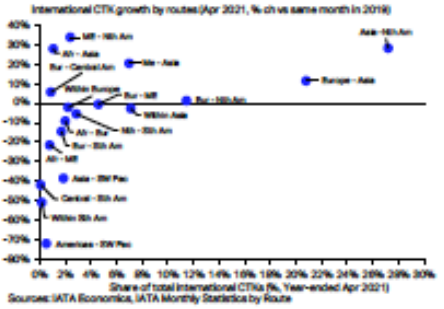
Airlines based in Africa posted a fourth consecutive month of growth at or above 25% versus 2019. Indeed in April, their international CTKs rose by 30.6% compared to April 2019. This is mostly driven by CTKs flown on routes between Asia and Africa, which have not been significantly impacted by the pandemic.

North American airlines posted a 25.6% rise in their international CTKs in April 2021 versus April 2019, following a 16.9% gain in March. Airlines in the region have benefitted from the appetite of the US consumers for products manufactured in Asia. They have also been able to grow their market share on routes such as Nth-Sth America, owing to the large freighter fleets they have available.

Airlines registered in the Middle East, Europe and Asia posted growth performances that were more in line with the international total. But all three regions improved significantly in April compared to March with SA volumes on a robust upward trend, highlighting that the strength of air cargo is broad-based outside of Latin America.

International CTKs of airlines based in Latin America fell by 32.7% in April 2021 versus April 2019, in a stark contrast with the other regions. SA CTKs have not clearly progressed since the crisis first hit That being said, segment-based volumes on several routes in the region (Eur-Central Am, Nth-Sth Am) have performed well in April **(Chart 8)**.

Chart 8: International CTKs by route (segment-based)



Sources: IATA Economics, IATA Monthly Statistics by Route

This emphasizes the difference between data based on the airlines' region of registration and data based on segments. In this specific instance, the bankruptcy procedures of some of the largest carriers in Latin America mean that they lost market shares to North American and European carriers. While there is still demand on routes to/from Latin America, less of it is being carried by airlines based in the region compared to prior to the crisis.

IATA Economics
economics@iata.org
8th June 2021

Air cargo market detail - April 2021

To aid understanding, the table includes both % comparisons with pre-crisis 2019 months and 2020 months.

	World share [1]	April 2021 (% ch vs the same month in 2019)				April 2021 (% year-on-year)			
		CTK	ACTK	CLF (%-pt)[2]	CLF (level)[3]	CTK	ACTK	CLF (%-pt)[2]	CLF (level)[3]
TOTAL MARKET	**100.0%**	**12.0%**	**-9.7%**	**11.2%**	**57.8%**	**46.3%**	**49.4%**	**-0.4%**	**57.8%**
Africa	2.0%	26.2%	-2.3%	12.2%	50.4%	56.3%	24.4%	10.3%	50.4%
Asia Pacific	32.6%	5.4%	-13.7%	11.5%	63.3%	46.2%	59.3%	-6.7%	63.3%
Europe	22.3%	11.5%	-19.1%	16.1%	68.1%	61.0%	52.2%	3.7%	68.1%
Latin America	2.4%	-21.0%	-47.2%	10.7%	45.7%	25.3%	53.1%	-10.1%	45.7%
Middle East	13.0%	15.3%	-8.9%	13.1%	59.8%	80.7%	58.5%	7.3%	59.8%
North America	27.6%	23.7%	5.8%	6.9%	47.3%	31.2%	36.8%	-2.7%	47.3%
International	**85.0%**	**13.0%**	**-12.8%**	**15.0%**	**66.8%**	**53.0%**	**41.7%**	**4.9%**	**66.8%**
Africa	2.0%	30.0%	0.8%	11.0%	50.7%	56.3%	23.9%	10.5%	50.7%
Asia Pacific	38.1%	9.2%	-16.7%	16.9%	77.5%	45.4%	35.2%	5.4%	77.5%
Europe	31.9%	11.4%	-17.5%	16.3%	70.4%	61.1%	47.0%	5.9%	70.4%
Latin America	2.0%	-32.7%	-52.5%	17.5%	59.3%	13.0%	12.4%	0.3%	59.3%
Middle East	13.0%	15.3%	-8.9%	12.0%	60.1%	80.4%	57.4%	7.0%	60.1%
North America	17.5%	25.0%	5.5%	9.1%	56.7%	44.1%	39.9%	1.7%	56.7%

[1]% of industry CTKs in 2020 [2]Change in load factor vs same month in 2019 [3]Load factor level

Note: the total industry and regional growth rates are based on a constant sample of airlines combining reported data and estimates for missing observations. Airline traffic is allocated according to the region in which the carrier is registered; it should not be considered as regional traffic. Historical statistics are subject to revision.

**appendix b
https://www.internationalairport
review.com/content_author/international-airport-review/

Global air cargo demand reaches highest level since 1990 in March 2021

Global air cargo demand experienced an increase of 4.4 per cent in March 2021 compared to March 2019, the highest level since records began in 1990.

The International Air Transport Association (IATA) has released March 2021 data for global air cargo markets showing that air cargo demand continued to outperform pre-COVID-19 levels (March 2019), with demand up by 4.4 per cent.

Additionally, March 2021 demand reached the highest level recorded since the series began in 1990. Month-on-month demand also increased, albeit at a slower pace, with volumes up by 0.4 per cent in March over February 2021 levels.

Because comparisons between 2021 and 2020 monthly results are distorted by the extraordinary impact of COVID-19, unless otherwise noted, all comparisons to follow are to March 2019, which followed a normal demand pattern.

Global demand, measured in cargo tonne-kilometres (CTKs), was up by 4.4 per cent compared to March 2019 and 0.4 per cent compared to February 2021. This was a slower rate of growth than in February 2021, which saw demand increase by 9.2 per cent compared to February 2019. A weaker performance by Asia-Pacific and African carriers compared to February 2021 contributed to softer growth in March 2021.

Global capacity, measured in available cargo tonne - kilometers (ACTKs), continued to recover in March 2021, up by 5.6 per cent compared to February 2021. Despite this, capacity remans 11.7 per cent below pre-COVID-19 levels (March 2019) due to the ongoing grounding of passenger aircraft.

Airlines continue to use dedicated freighters to plug the lack of available belly-capacity. International capacity from dedicated freighters rose by 20.6 per cent in March 2021 compared to the same month in 2019, and belly-cargo capacity of passenger aircraft dropped by 38.4 per cent.

Underlying economic conditions remain supportive for air cargo. This is evidenced in the new export orders component of the manufacturing Purchasing Managers' Index (PMI), which stood at 53.4 in March. Results above 50 indicate manufacturing growth versus the prior month.

Demand for exports grew broadly in March 2021. This was concentrated in developed countries during January and February 2021. Delivery times for manufactured goods are also increasing, which normally indicates increased demand for air cargo in efforts to reduce shipping time. Global trade rose by 0.3 per cent in February 2021 – the ninth consecutive monthly increase and the longest continuous growth in more than two decades.

"Air cargo continues to be the bright spot for aviation. Demand reached an all-time high in March 2021, up by 4.4 per cent compared to pre-COVID-19 levels (March 2019), and airlines are taking all measures to find the needed capacity. The crisis has shown that air cargo can meet fundamental challenges by adopting innovations quickly. That is how it is meeting growing demand, even as much of the passenger fleet remains grounded. The sector needs to retain this momentum post-crisis to drive the sector's long-term efficiency with digitalisation," said Willie Walsh, IATA's Director General.

*****appendix C**

Portrait of East Kent: 30th April 2021

Edition prepared for Chamber Members

East Kent Chambers of Commerce ™ ®

1. Unemployment

	March 2021		Change since March 2020
	Unemployed	% of workforce	% of workforce
Canterbury District	5,255	5.0%	+117.6%
Dover District	4,550	6.5%	+76.7%
Folkestone & Hythe District	4,800	7.3%	+98.3%
Thanet District	7,975	9.8%	+72.2%
Kent	57,385	6.0%	+111.7%
United Kingdom	2,692,940	6.5%	+112.3%

Based on the claimant count of jobseekers aged 16 – 64 years. Office for National Statistics (ONS) 22nd Apr 2021. See www.nomisweb.co.uk

2. Key Data

	Canterbury	Dover	Folk & H	Thanet	Kent	
Population	164,600	118,100	113,000	141,900	1,581,600	a
Area of land in hectares	32,079	32,040	36,050	11,071	362,236	b
Median FT Gross Wk Pay By Workplace	£546.50	£596.60	£496.00	£501.30	£572.50	c
Median FT Gross Wk Pay By Residence	£626.60	£594.60	£556.10	£507.70	£615.90	c
Unemployed aged 18 – 24	4.7%	11.5%	12.4%	15.7%	9.6%	d
GVA Per Head	£19,622	£19,499	£21,772	£16,648	£23,149	e
Active companies	5,825	3,640	4,150	4,325	67,260	f
5 Year New Company Survival Rate	44.8%	37.7%	35.2%	42.5%	43.9%	f
Tourism economic impact	£491 million	£282 million	£252 million	£320 million	£3.9 billion	g
Jobs FTE direct from tourism	7,357	4,212	3,531	5,665	55,583	g
Coronavirus cases per 100,000 people	18.1	15.2	7.1	23.3	15.7	h

a) ONS MYE 2019 pub. KCC, 7th Sep 2020 b) ONS & DCLG 2005 c) NOMIS 2019 as in KCC District Profile 7th Sep 2020 d) ONS 22nd Mar 2021 e) KCC May 2019 f) ONS Business Demography 2018 g) Destination Research, Visit Kent, November 2018 h) Case data for 10th Apr to 17th Apr 2021, published by KCC 30th Apr 2021. In Sep 2015, Thanet youth unemployment was 4.8%: now at 15.7%, it is the highest in the south east.

****appendix d

Guardian News & Media Limited UK aviation's carbon plan allows rising emissions from planes

Industry says buying carbon offsets means overall emissions will fall compared with peak year of 2019

Damian Carrington

@dpcarrington

Tue. 22 Jun 2021 17.06 BST

Last modified on Tue. 22 Jun 2021 18.25 BST

The UK aviation industry has announced carbon targets that allow emissions from planes to increase into the mid-2030s. It says buying carbon offsets will result in overall emissions falling compared with 2019 levels.

The move was welcomed by government ministers. But environmental groups said the industry was "trying to have its cake and eat it" and said only reducing flights would guarantee the carbon cuts needed to tackle the climate crisis. Aviation caused 7% of the UK's emissions in 2018.

The UK's climate change laws use 1990 as a reference year and, compared with this, the aviation industry is planning for emissions to be about double by 2030. The sector's peak year for emissions was 2019, which is the year it has chosen to use.

The industry said sustainable aviation fuels (SAF), electric and hydrogen aircraft, and changes to flight routes to make them shorter would reduce the emissions from flying in the future. But under the sector's plan, emissions would rise in the mid-2030s because of increasing numbers of flights. Paying other sectors to remove CO_2 from the air cuts emissions by 15% by 2030 and 40% by 2040, compared with the peak year of 2019.

But compared with the 1990 baseline, when aviation emissions were much smaller, the level of future emissions targeted by the aviation industry equates to an increase of approximately 105% in 2030 and 45% in 2040, according to Simon Evans at the Carbon Brief think tank.

Matt Finch, at the Transport & Environment campaign group, said: "The UK aviation industry is trying to have its cake and eat it, by trying to pay its way out of its emissions addiction via offsets instead of targeting the real-world emissions cuts that increasing SAF levels and zero emission aircraft would bring.

"UK aviation is optimistically relying on removals technologies which simply do not exist in the UK currently," he said. "The 2050 end point for UK aviation should be to get its total emissions as close to zero as possible. Instead it still plans on emitting well over half of what it does today. That is simply not ambitious."

Cait Hewitt, at the Aviation Environment Federation, said: "To make net zero a reality we need interim targets. But the industry's plan is to allow the emissions from aircraft not just to rebound after the pandemic but actually to continue growing, peaking in the mid 2030s."

“Until airlines start paying for and delivering carbon capture technology, the only way to avoid aviation emissions is not to fly,” she said. “The government’s net zero aviation consultation will need to recognise the need to go beyond technology and include measures to limit aviation demand and airport capacity. It will not be OK to allow aviation demand and emissions to grow as we come out of the pandemic in the hope that future fuels and technologies will save the day.”
But Adam Morton, chair of the industry’s Sustainable Aviation group said: “The [targets are] ambitious but achievable, and require meaningful cooperation between industry and government, as well as the necessary policies and funding to ensure the UK can build a world-leading SAF industry, create new clean aircraft, and modernise British airspace.” The group said aviation provided major economic and social benefits to the UK.
Grant Shapps, the transport secretary, said: “The commitment shown by industry today embodies the forward thinking attitude we need to decarbonise the sector and put the UK at the forefront of green aviation.”

*******appendix e**
Boeing World Air Cargo Forecast 2020-2039

EXECUTIVE SUMMARY

WORLD AIR CARGO FORECAST 2020–2039

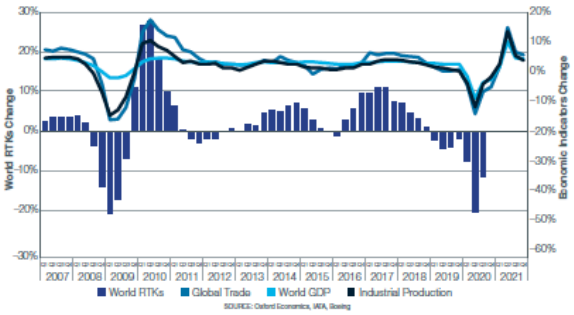
Air cargo markets disrupted in 2020 by COVID-19 pandemic

As the new decade began, the air cargo market was poised to benefit from improvement in the world economy.

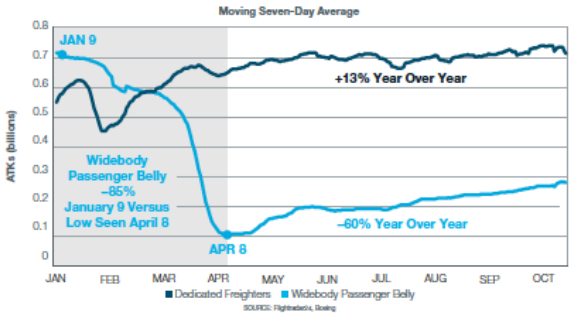
This followed a weak 2019, in which the effects of tariffs, tepid world economic growth and weakened industrial production resulted in air cargo traffic decreasing by 3%.

As COVID-19 quickly spread to all corners of the world early this year, the impact from the loss of long-haul passenger belly capacity from widebody fleets created a significant air cargo capacity shortfall. Passenger belly cargo capacity typically accounts for 54% of the world air cargo capacity. Freighter operators have responded by operating above normal utilization levels to fill the lower cargo hold shortfall.

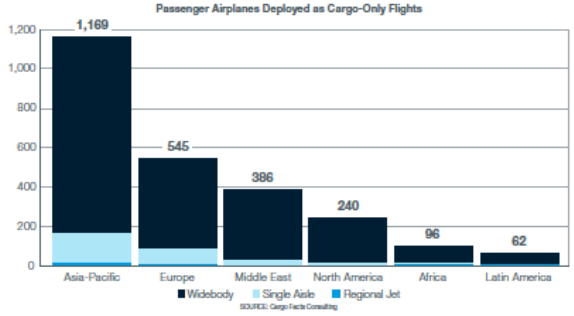
Anticipated Economic Recovery Expected to Bolster Air Cargo Traffic Growth



Major Reduction of Passenger Service Is Creating High Demand for Freighter Capacity



Widebodies Account for Nearly 90% of Passenger Airplanes Used for Cargo-Only Flights



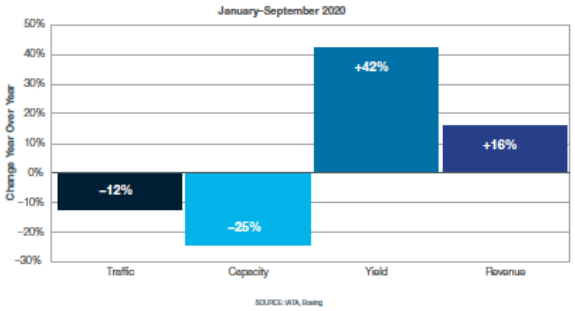
In addition, the urgent need to meet demands for transporting medical supplies to all regions in response to COVID-19 created a unique and unprecedented environment. The decline in air cargo capacity plus urgent demand for medical supplies led to a spike in yields to high double-digit levels in second quarter 2020. With these market conditions, freighter operators have been in a unique position to meet market demands that require a high level of speed, reliability and security, as only air cargo can do.

With high air cargo yields and greatly reduced long-haul international networks, conditions have been favorable for many airlines to use some of their passenger widebody fleets for cargo-only operations to generate much-needed cash flow. These "preighters" have taken up some of the capacity shortfall and, even in some cases, have generated quarterly profits for carriers despite minimal passenger operations. As of the end of September, nearly 200 airlines have operated 2,500 passenger airplanes exclusively for cargo operations.

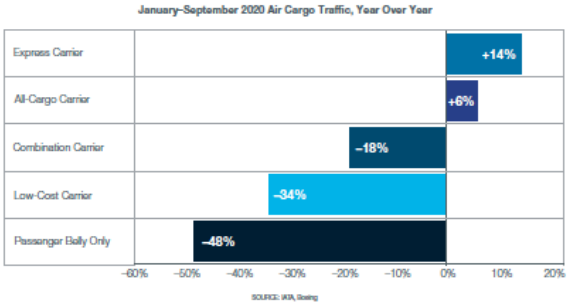
Through September, air cargo traffic was down 12%, rivaling declines in past recessions. In a normal year, this would translate to poor financial performance for air cargo operators. However, in 2020 almost a quarter of air cargo capacity has been lost. As a result of the constrained air cargo capacity, yields were up over 40% and overall air cargo industry revenues were up 16%.

The 2020 World Air Cargo Forecast incorporates the near-term disruption to air cargo markets but does not assume the current dynamics of constrained widebody passenger belly capacity will continue into the long term. Long-haul widebody passenger traffic will return in the coming years, and air cargo will then reflect market dynamics much closer to what we have seen in the years prior to the COVID-19 disruption.

Constrained Cargo Capacity Is Driving Higher Yields and Revenue



Dedicated Cargo Carriers Lead in Challenging Market Conditions



COVID-19 pandemic accelerating express and e-commerce market

In contrast to disrupted passenger markets, the higher-than-market-average growth seen in express markets over the last decade has increased during the COVID-19 pandemic. E-commerce, which was already growing at double-digit rates prior to the pandemic, has accelerated its impact on the air cargo market. Express carriers have fared well as a result of the market turmoil in 2020. Through the end of September, they had increased their traffic by 14%. All-cargo carriers, at 6%, are the only other air cargo business model to show growth. This forecast incorporates this continued structural growth and surge in demand that we have observed because of COVID-19.

Another consideration of structural shifts affecting air cargo growth, and a topic of intense debate in recent years, is the trajectory of globalization on global supply chains. Geopolitical tensions and trade disputes have percolated and increased in many major economies around the world. Air cargo is highly sensitive to global industrial production output and worldwide manufacturing supply chains.

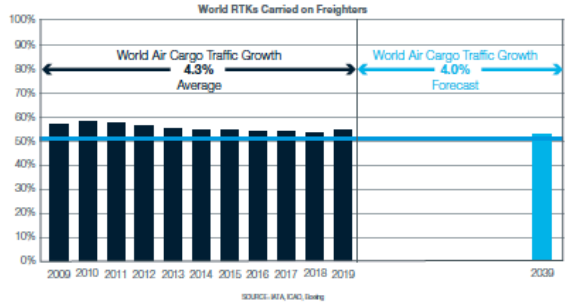
However, even prior to the COVID-19 pandemic, some shifting of supply chains was already occurring. China, the location of choice for many Western manufacturing companies during the past 20 years, had slowly lost its low-labor-cost advantage relative to other developing countries. As a consequence, some manufacturing has moved away from China to other Asia-Pacific countries in the past few years. However, the movement of supply chains, depending on the complexity of the product, can take years to implement. The magnitude of air cargo imports from China to the United States, for example, is nine times that of the next Asia-Pacific country. This further highlights the current dominance of China as a manufacturing source and supplier. Early indications show trends toward diversification of supply chains, rather than onshoring, to lessen risk.

Developments in other modes of freight transport may affect air cargo industry growth. The maritime industry, which transports almost 90% of world merchandise trade, has experienced significant market disruption over the past decade. Several years of overcapacity and weakening trade led to collapsing yields. Ultra-large containerships (those vessels with more than 15,000 20-foot equivalent units of capacity) introduced by the major shipping operators contributed to the overcapacity as trade slowed. In the past five years, the industry has seen consolidation of players, reduced capacity growth and firming yields. While normally the maritime sector is not a competitor to air cargo, the changing nature of container shipping may benefit the air cargo sector. Containership operator capacity discipline, plus manufacturers seeking to de-risk their supply base and disperse manufacturing sites into lower-cost Asia-Pacific regions, may lead to the increased use of air cargo.

Importance of main deck freighters

In addition to the long-term trend of dedicated freighters carrying more than 50% of global air cargo traffic despite growing widebody passenger fleets, the COVID-19 pandemic has highlighted the importance of main-deck freighters in our global air transportation system. While increasingly capable passenger widebody airplanes have helped the air cargo industry grow during the past decade, dedicated freighters are anticipated to continue to comprise at least 50% of the world air cargo traffic carried. There are several key reasons for freighter preference in air cargo flows: 1) Most passenger belly capacity does not serve key cargo trade routes; 2) twin-aisle passenger schedules often do not meet shipper timing needs; 3) freight forwarders prefer palletized capacity, which is not available on single-aisle aircraft; 4) passenger bellies cannot serve hazardous materials and project cargo, a key sector in air cargo flows; and 5) payload-range considerations on passenger airplanes may limit cargo carriage, which decreases the likelihood that cargo will arrive at its destination on time.

Freighters Will Continue to Carry Over 50% of World Air Cargo Traffic



World air cargo traffic growth outlook

World air cargo traffic is forecast to grow at 4.0% per year over the next 20 years.

In terms of revenue tonne-kilometer (RTK) growth, air freight, including express traffic, is projected to grow at 4.1% while airmail will grow at a slower pace, averaging 1.7% annual growth through 2039. Overall, world air cargo traffic will more than double over the next 20 years, expanding from 264 billion RTKs in 2019 to 578 billion RTKs in 2039.

The Asia-Pacific region will continue to lead the world in average annual air cargo growth, with domestic China and intra–East Asia and Oceania markets expanding 5.8% and 4.9% per year, respectively. Supported by faster-growing economies and growing middle classes, the East Asia–North America and Europe–East Asia markets will grow slightly faster than the world average growth rate. In the more established and mature trade flow between North America and Europe, growth will be below the world average growth rate.

World Air Cargo Traffic Will Grow 4.0% Per Year Over the Next 20 Years

Air Cargo Growth Rates Vary by Region

Region	History 2009–2019	2019	Forecast 2020–2039
World	4.3%	–3.0%	4.0%
East Asia–North America	3.1%	–7.5%	4.3%
Europe–East Asia	4.2%	–3.2%	4.4%
Intra-East Asia and Oceania	5.2%	–5.4%	4.9%
Europe–North America	3.4%	–4.7%	2.3%
North America	3.3%	3.2%	2.6%
Domestic China	4.9%	3.5%	5.8%
Latin America–Europe	3.9%	–1.2%	4.1%
Latin America–North America	2.1%	–3.6%	2.6%
Africa–Europe	2.8%	4.0%	3.3%
South Asia–Europe	4.1%	3.7%	4.3%
Middle East–Europe	4.8%	10.6%	2.4%
Intra-Europe	4.8%	6.0%	2.3%

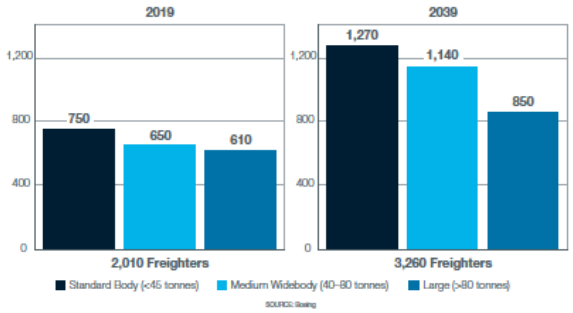
SOURCE: IATA, ICAO, ACI, AAPA, U.S. DOT, U.S. DOC, Eurostat, IHS Markit GTA, CAAC, AAI, DGCA, FAST, Airline Reports, Airport Statistics, Boeing

Freighter fleet forecast

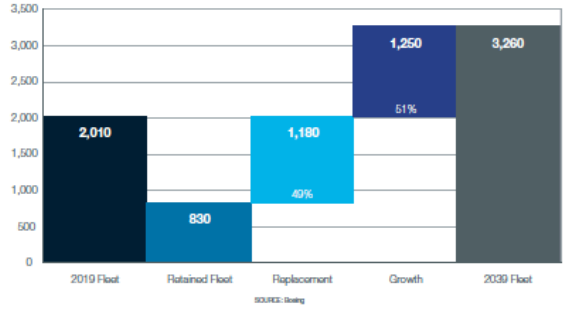
The combination of 4.0% annual average RTK growth, in addition to the proven need for dedicated freighter capacity to support our global transportation system, results in the need for a 60% larger fleet during the next two decades.

Over the next 20 years, the freighter fleet will grow more than 60% from 2,010 to 3,260 units. There are 2,430 freighters forecast to be delivered, with approximately half replacing retiring airplanes and the remainder expanding the fleet to meet projected traffic growth. More than 60% of deliveries will be freighter conversions, 72% of which will be standard-body passenger airplanes. Of the projected 930 new production freighters, just over 50% will be in the medium widebody freighter category.

Freighter Fleet Will Grow More Than 60%



2,430 Freighters Required for Growth and Replacement



For further detail go to www.Boeing 2020 WACF