

MARTIN-DOMINGO, Luis (Ozyegin University - Moderator). 2017. **Round Table** with DEMİR, Serdar (Turkish Airlines); DEWULF, Wouter (University of Antwerp); EREN, Serkan (MNG Airlines); GÖÇMEN, Önder (Turkey's Customs); MURAT, Dato' Azmin (Malaysia Airports) and NOLL, Stephane (IATA). 3rd Istanbul Hub Seminar: ***Air Cargo & Logistic Strategies for Istanbul Hub***

## **Summary**

The round table held after the five topic presentations of the seminar included most of the speakers plus two other members: Mr. Dato' Azmin Murat, Executive Director of Malaysian Airports (Operator of Istanbul Sabiha International Airport) and Mr. Önder Göçmen, Deputy Director of Turkey's Ministry of Customs and Trade. Both, helped very much to enrich the final discussion.

The contents covered at the round table were divided into two main group of questions, the hardware and the software elements that can help Istanbul to become a leading air cargo hub. Within "hardware" cargo capacity was the main point discussed and about "software" customs was the central point.

The total air cargo capacity for Istanbul will be a combination of capacity of both airports, Sabiha International Airport (SAW) and the new Istanbul Grand Airport (IGA). A combination of competition and collaboration aiming to achieve the best for Istanbul and Turkey was mentioned as the preferred approach. On this context the competition between Turkish Airlines and Pegasus during the previous 10 years was mentioned as a good example of benefiting Istanbul and Turkey. The size of the city (around 20 million passenger catchment area and double the size of countries like Belgium) justify the space for more than one airport. Therefore, the hardware of infrastructure and geographical location was mentioned not to be an issue towards Istanbul air cargo hub. .

Customs was the main software point discussed and Mr. Göçmen mentioned the efforts carried out by the Ministry by doubling the staff in the last 10 years, moving toward paperless process and changing the regulation for faster domestic and international transits. At the same time, authorities and airlines are working together to develop the processes. In this context Mr. NOLL from IATA introduced the concept of Customs Single Window & Paperless implemented in other countries like Morocco as a potential good solution for Istanbul. The geopolitics of neighbour countries as security in mind was mentioned as a challenge to improve the customs process. However, Dr. Dewulf also mentioned challenges faced by other airports like Miami in the USA, but been able to achieve higher standards. Therefore, Istanbul has room for improvement.

The last topic discussed was the e-commerce as one of the air cargo markets of most rapid growth. Mr. Göçmen mentioned new rules have been implemented to simplify procedures in Turkey. Mr. Murat from Malaysian airports and Mr. Demir from Turkish Airlines mentioned the contracts signed with e-commerce Chinese giant Alibaba. Mr. Knoll from IATA mentioned the large number of items to be handled which will require technology, data analysis and automation and Mr. Dewulf suggested Istanbul to try to attract a big cargo integrator as for

instance DHL or UPS because seems to be a good competitive advantage to develop the air cargo of e-commerce.