



WORKING PAPER

**SEVENTH WORLDWIDE AIR TRANSPORT CONFERENCE
(ATCONF/7)**

Montréal, HQ, 16 to 20 November 2026

Agenda Item 3: Strengthening regulatory and institutional frameworks

3.2: Enhancing air connectivity through progressive economic and regulatory aviation frameworks for international air transport

**AIR CARGO AS AN ECONOMIC CONTRIBUTOR AND A DRIVER OF DIVERSIFICATION
AND RESILIENCE: THE EXPERIENCE OF OMAN UNDER
THE NATIONAL AVIATION STRATEGY 2040**

(Presented by Oman)

EXECUTIVE SUMMARY

This paper examines the strategic role of air cargo as an enabler of trade, economic diversification and supply chain resilience, a role that often receives less attention than passenger transport in national and international frameworks. Drawing on the experience of Oman, the paper explains how air cargo has been established as an explicit pillar of economic diversification under the *National Aviation Strategy 2040*, with a target of approximately one million tons annually by 2040, through alignment with the national logistics strategy, multimodal integration, enabling regulation and disciplined performance measurement. The paper presents feasible lessons for Member States and proposes actions to restore balance to global policy agendas so that air cargo receives attention commensurate with its economic role.

Action: The conference is invited to consider the recommendations in Section 6.

<i>Strategic Goal:</i>	This working paper relates to Strategic Goal: <i>The Economic Development of Air Transport Assures the Delivery of Economic Prosperity and Societal Well-Being for All.</i>
<i>Financial implications:</i>	Implementation of the approaches outlined in this paper may entail investment in air cargo infrastructure, airport logistics facilities and multimodal connecting corridors. The paper promotes public-private partnership models and private sector financing for bankable projects, thereby limiting direct financial burdens on States and improving investment efficiency.
<i>References:</i>	<i>Oman Vision 2040 – National Vision</i> , Sultanate of Oman; <i>National Aviation Strategy 2040</i> , Sultanate of Oman; The Sultanate of Oman Logistics Strategy 2040 (SOLS 2040); <i>Policy and Guidance Material on the Economic Regulation of International AirTransport</i> (Doc 9587), Fourth Edition, 2017; <i>Manual on the Regulation of International Air Transport</i> (Doc 9626);

¹ Arabic version provided by Oman

	Final Report of the Sixth Worldwide Air Transport Conference (ATConf/6), Montréal, March 2013; International Air Transport Association (IATA) – <i>The Value of Air Cargo: Air Transport and Global Value Chains</i>; World Bank – <i>The Air Connectivity Index: Measuring Integration in the Global Air Transport Network</i>; Air Transport Action Group (ATAG) – <i>Aviation: Benefits Beyond Borders</i>, 2024 edition.
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1. INTRODUCTION

1.1 Air cargo carries a share of world trade, which, in terms of value, far exceeds its share in terms of volume: in 2023, it delivered goods representing approximately one third of the value of global trade (Air Transport Action Group (ATAG) – *Aviation: Benefits Beyond Borders*, 2024 edition). Air cargo is a pillar of global supply chains for high-value, time-sensitive and perishable goods. The COVID-19 pandemic demonstrated its systemic importance, as air cargo reliably maintained the flow of medical supplies, vaccines and essential goods when passenger transport networks were severely disrupted.

1.2 Despite this strategic role, air cargo has historically received less attention than passenger transport in national aviation strategies and international policy dialogue. The rapid growth of cross-border e-commerce, the reshaping of global supply chains and the increasing focus on resilience have made this imbalance increasingly costly for States seeking to leverage the benefits of air transport, in terms of development.

2. THE OMANI MODEL: FROM GEOGRAPHICAL LOCATION TO AN INTEGRATED LOGISTICS ECOSYSTEM

2.1 Oman's location on major east-west trade routes, with direct access to the Indian Ocean and proximity to markets in Asia, Africa and Europe, provides a natural foundation for a multimodal logistics role. *Oman Vision 2040* identifies logistics as a priority sector for economic diversification, and the *National Aviation Strategy 2040* translates that into aviation-specific commitments.

2.2 The *National Aviation Strategy 2040* sets a national target of approximately one million tons of air cargo annually by 2040, alongside targets of 42 million passengers, a contribution of OMR 2.3 billion to Gross Domestic Product (GDP), and 125,000 direct jobs to be generated. Placing a quantitative cargo target on the same footing as passenger targets ensures that cargo development receives sustained institutional attention, dedicated initiatives and measurable accountability.

2.3 The central lesson of the Omani experience is that air cargo cannot be developed in isolation. The National Aviation Strategy has been deliberately aligned with the National Logistics Strategy so that airports, seaports, free zones and land transport corridors function as one ecosystem. This integration extends to institutional coordination: aviation, port, customs and free-zone authorities collaborate in joint governance arrangements that ensure alignment at the level of investment, regulatory reform and commercial development.

3. DISCUSSION AND ANALYSIS

3.1 On the regulatory side, Oman upholds an enabling environment for air cargo, including an open approach to market access for cargo services, facilitation measures and the progressive digitization of cargo and customs procedures. In the Omani experience, the efficiency of border and documentary procedures is as critical for cargo competitiveness as the physical infrastructure.

3.2 The growth of cross-border e-commerce is treated as a policy priority *per se*, with attention to express-shipment requirements, data exchange and airport readiness to handle high volumes of small consignments. This enables sea-air connectivity through the most efficient combination of modes and expands the actual reach of the national air cargo offering.

3.3 Cargo development is monitored under the *National Aviation Strategy 2040* Performance Management System (PMS), comprising 39 initiatives and 60 key performance indicators (KPIs), with cargo-specific indicators reported periodically to a high-level committee chaired by top management of the Civil Aviation Authority (CAA). Strict evidence submission requires all reported figures to be supported by documented source material, preserving the credibility of cargo reporting before the Government.

4. INTERNATIONAL IMPLICATIONS AND COMPARISONS

4.1 Oman's experience suggests that States stand to benefit when air cargo is treated as a primary objective of their National Aviation Policy, coupled with logistics and trade strategies and supported by measurable targets. It also points to a gap at the international level: guidance on the economic development, regulation and measurement of air cargo, which has not been substantially updated since the Sixth Worldwide Air Transport Conference (ATConf/6), has not kept pace with structural changes across the sector, particularly e-commerce, the reshaping of supply chains and resilience requirements.

5. CONCLUSION

5.1 This paper affirms that air cargo is a strategic enabler of trade, economic diversification and resilience. The experience of Oman shows that combining a quantitative national cargo target, an integrated multimodal approach, enabling regulation and disciplined performance measurement can turn geographical potential into a structured national development programme. The Seventh Worldwide Air Transport Conference (AT Conf/7) is well-equipped to restore balance to global policy agendas in this area.

6. ACTION REQUESTED

6.1 The Conference is invited to consider the following recommendations:

- a) note Oman's experience in developing air cargo as a pillar of economic diversification under the *National Aviation Strategy 2040*;
- b) recognize that air cargo is a strategic enabler of trade, economic development and supply chain resilience, deserving policy attention commensurate with its economic role;
- c) encourage Member States to include air cargo, with measurable targets, in their national aviation strategies and align it with their national logistics and trade strategies;

- d) invite the International Civil Aviation Organization (ICAO) to review and strengthen its policies and guidance material on the economic development of air cargo, including market access, facilitation, e-commerce and multimodal integration; and
- e) include air cargo development, as appropriate, in the follow-up work programme arising from this Conference.

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