

Airfreight rates double in 2024 as exporters switch from sea

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Dhaka: Airfreight rates in Bangladesh almost doubled in January 2024 compared to December 2023, owing to a significant rise in volumes as well as a capacity crunch. Reports cited industry insiders saying that rates from Bangladesh to Europe and the US are currently USD 3.50 per kg and USD 4.50 per kg, up from USD 2 and USD 3, in December 2023 respectively.

They also added that the Dhaka market is currently reliant on aircraft belly capacity for cargo transportation as opposed to other means. The season coming to an end, pressure on transit points due to Chinese New Year holiday and the Red Sea crisis leading to shipping delays of at least two weeks are some of the reasons behind the rising demand of airfreight, claimed reports citing freight forwarders.

As per reports, in December 2023, some 10,410 tonnes of cargo were airlifted through Dhaka Airport, which increased to 14,451 tonnes in January 2024. Most of these shipments were destined for the US, Europe, Turkey and Egypt, reports added.

Many garment exporters opted to airlift their products to the US and EU in January 2024 in an effort to hit markets on time. Due to the extended ocean transit times, buyers were

preferring to get season-end goods out as quickly as possible, claimed reports citing Nasir Ahmed Khan, director of the Bangladesh Freight Forwarders Association, adding, the increasing demand has caused airfreight rates to go up too.

Following the ongoing Red Sea crisis, ships are having to travel an extra 3,500 km to avoid the danger zone. Hence, buyers are having to wait an additional 2-3 weeks to receive their products, said Bangladesh Garment Manufacturers and Exporters Association, as per reports. Therefore, many exporters are forced to send cargo by air to meet deadlines, they added.

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