



Contents

[Developments in The Americas](#)

[Milk to China](#)

[Additional Frequency to Miami and Houston](#)

[Additional Service Abidjan-Lagos](#)

[Second Weekly Frequency from Hong Kong to Vienna](#)

[South America Developments](#)

[Cargolux Joins Aviation, Energy & Academic Leaders to Accelerate Development &](#)

[Availability of Sustainable Fuels](#)

[Flying the Olympic Dream](#)

[Cargolux Supporting Relief Goods Shipments](#)

[Cargolux's Asia Trucking Network](#)

[Chain Reaction](#)

[Cargo 2000](#)

[Cargolux-Upcoming Events](#)

September 08



Developments in The Americas

The Americas has continued in 2008, much as it has with the previous years, on a continual path of increased growth in all markets. Cargolux has seen very positive load factor developments close to 100% ex North and South America.

Part of the challenge we face on a daily basis is capacity management, and we are making every effort possible to support our growing customer base, and have dedicated staff who continually monitor and support those requirements.

We have, over the last few years, put additional resources into ensuring that we provide effective Capacity Management, as well as resources at the local station level to guarantee a direct and personal support to our customers. In practical terms, this means that when you call Cargolux, you are in contact with the right person to understand your business needs and to monitor the progress of your cargo from origin to destination.

Cargolux is proud to be on-line at following stations: Seattle / Los Angeles / Guadalajara / Mexico / Chicago / Houston / Huntsville / Indianapolis / New York JFK / Miami / Panama / Sao Paulo / Curitiba / Bogota / Latacunga (UIO) / Santiago de Chile / Petrolina.

The most recent addition has been our new Miami twice a week service, which serves the very important South East Region, as well as providing additional lift ex Miami to multiple Central & South American destinations.

This new service comes, of course, as an addition to those we serve directly from Luxembourg.

In parallel, we have also invested in our Operational & Conformance Management staff, who monitor at every station the acceptance, build-up and conformance of the cargo you tender to us for transport. We believe this additional focus and attention is critical in ensuring that the product we deliver extends past the reservation process, to the actual loading and uplift of your cargo. We review our handling providers on a weekly and monthly basis, to ensure that they, as an extension of Cargolux, continue to deliver the best product available to us, and in turn to you our valued customer.

2008 will close much as it started with a very high demand for capacity, and we will do all possible to manage and satisfy that demand, while striving to deliver the best possible product and communication. We thank you for your continued support, in making us a primary part of your capacity needs ex The America's.

Ian Morgan, Vice-President The Americas.



Milk to China

According to Chinese authorities the contamination of powdered and liquid milk in the region of China has affected nearly 13,000 infants, with 80% under the age of two. As a consequence, an urgent need for dairy products arose, also demanding shipments from abroad. Cargolux has been among the carriers to provide these urgent supplies.

On September 23rd, 2008, the first shipment of powdered milk from France was loaded on board one of Cargolux's B747-400 freighters in Luxembourg and flown to Shanghai the same day. Altogether, a total of 150 tons of powdered milk will be carried, with 50 tons on board each Cargolux flight. ”



Additional Frequency to Miami and Houston

Following the start of weekly services to Miami in April of this year, Cargolux added a second weekly frequency to Miami, with continuation to Houston, operational since 24 July, 2008, to further strengthen the company's services to the Americas.

CV 8604 is operated out of Luxembourg on Thursdays at 03:30 p.m., with arrival in Miami at 07:15 p.m., from where flight CV 8615 departs at 09:15 p.m. for Houston. Arrival in Houston is at 10:55 p.m. Departure from Houston is at 00:55 a.m. on Friday mornings, with arrival in the Grand Duchy at 05:10 p.m.

The existing flight, CV 8607 is operated every Sunday morning, departing from Luxembourg at 09:05 a.m., with arrival in Miami at 12:50 p.m. Departure for Houston, CV8611, is at 02:50 p.m., arriving at 04:30 p.m. Return from Houston is at 06:30 p.m., with arrival in Luxembourg on Monday morning at 10:45 a.m. All times are local times.

On board Cargolux's B747-400 freighters to Miami – Houston, mostly machinery, oil well equipment and automotive parts are loaded, contributing to the growth of local industries. Importantly, Cargolux will offer connections on 'through airway-bill' to destinations like Manaus, Caracas and Lima.

Cargolux also offers additional trucking services from Los Angeles to Houston, in connection with the company's Los Angeles flights which are operated on Wednesdays, CV 7723, on Thursdays, CV7744, on Fridays, CV 7745, and on Saturdays, CV 7746. [view flyer](#)



Additional Service Abidjan-Lagos

Effective 25 September, Cargolux offers its customers an additional regular flight to Abidjan/Ivory Coast and Lagos/Nigeria.

Flight CV 7164 is operated every Thursday with B747-400 freighter aircraft from Luxembourg, departing at 11.00 a.m., with arrival in Abidjan at 03.15 p.m. Departure from Abidjan is at 04.45 p.m. with arrival in Lagos at 07.15 p.m. From Lagos, the flight continues to Nairobi. Departure from Nairobi, CV 7195, is on Friday mornings at 06.00 a.m., from where the flight returns via Maastricht/ The Netherlands to Cargolux's head office Luxembourg, with arrival in the Grand Duchy at 04.30 p.m. on Friday afternoon.

While Telecommunications and oil drilling equipment, as well as perishables, are transported on board Cargolux's B747-400 freighters to the Ivory Coast, Nigeria's imports mostly consist of equipment for the local oil and gas industry, and general cargo.

With this new service, Cargolux now offers five flights per week to Lagos, operated on Mondays, Tuesdays, two flights on Thursdays, plus one flight on Sundays, and two flights to Abidjan, operated on Mondays and Thursdays.

Apart from Abidjan/Ivory Coast and Lagos/Nigeria, Cargolux's African gateways include Kinshasa/Dem. Rep. of Congo, Accra/Ghana, N'Djamena/Chad, Libreville/Gabon, Nairobi/Kenya and Johannesburg/South Africa. [view flyer](#).



Second Weekly Frequency from Hong Kong to Vienna

Following the introduction of all-cargo services from Asia directly into Vienna mid June 2008, Cargolux announces the addition of a second weekly frequency, effective 15 September 2008.

The new flight, CV 7537, is operated every Monday out of Hong Kong, departing at 09.35 a.m. local, with arrival in Vienna at 05.20 p.m. on Monday afternoon. Departure from Vienna is at 07.05 p.m. with arrival in Luxembourg same day at 08.45 p.m.

The existing flight, CV 7534, leaves Hong Kong on Thursday at 07.00 p.m. local, arriving in Vienna at 03.05 a.m. on Friday morning. This flight departs from Vienna at 05.50 a.m., arriving in the Grand Duchy at 07.30 a.m.

Cargolux's Vienna service was initiated upon clients' request, based on increased traffic directly into Vienna, for timely and cost efficient connections with Austria and the Eastern European region. It complements the company's existing Asia - Budapest service, with four flights per week out of Hong Kong.

Commodities flown to Vienna mainly include electronics, such as mobile phones, flat panel screens, and other electronic components, while commodities out of Austria include general cargo and heavy machinery for which the

company's B747-400 freighters are well suited.

Out of Vienna, Cargolux also offers an extensive trucking distribution network into the major Eastern European capitals. [view flyer](#)



South America Developments

Cargolux recently added a fourth weekly frequency to Viracopos-Campinas International Airport/Brazil.

The additional flight, CV 7606, is operated every Saturday at 06.00 p.m. out of Luxembourg, with arrival in Viracopos-Campinas on Sunday morning at 00.30 a.m. local time. The flight continues to Latacunga and Bogota as CV 7617, arriving in Latacunga at 06.45 a.m. and in Bogota at 10.15 a.m. Departure for Luxembourg is at 12.15 p.m., with arrival in the Grand Duchy of Luxembourg at 07.20 a.m. on Monday morning.

The existing three flights to Viracopos, CV 7642, CV 7604, and CV 7646, are operated out of Luxembourg on Tuesday at 11.45 a.m. with continuation to Curitiba and Petrolina, on Thursday at 06.00 p.m. with continuation to Curitiba, Latacunga and Bogota, and on Saturday at 06.00 p.m. with continuation to Petrolina, before returning to Luxembourg.

With this additional service, the company aims to meet the demand for increased capacity, in line with Brazil's growing economy. At the European end, forwarders welcome this additional flight that will further boost their exports to this region.

Commodities flown to Brazil include car and aircraft parts, plus general cargo, while out of Viracopos-Campinas, mostly machinery, leather products and car parts are transported, feeding into Cargolux's remaining network, plus perishables from Petrolina for European destinations. [view flyer](#).



Cargolux Joins Aviation, Energy & Academic Leaders to Accelerate Development & Availability of Sustainable Fuels

Cargolux Airlines International S.A. has, with other leading air carriers, Boeing and Honeywell's UOP, a refining technology developer, established a group to accelerate the development and commercialization of sustainable new aviation fuels.

With support and advice from the world's leading environmental organizations, the World Wildlife Fund (WWF) and Natural Resources Defense Council (NRDC), the Sustainable Aviation Fuel Users Group makes commercial aviation the first global transportation sector to voluntarily drive verifiable sustainability practices into its fuel supply chain. The group's charter is to enable the commercial use of renewable fuel sources that can reduce greenhouse gas emissions, while lessening commercial aviation's exposure to oil price volatility and dependence on fossil fuels.

Apart from Cargolux, airlines supporting the sustainable fuels initiative include Air France, Air New Zealand, All Nippon Airways, Gulf Air, Japan Airlines, KLM, SAS and Virgin Atlantic Airways.

Collectively, they account for more than 15 percent of commercial jet fuel use. "We welcome the aviation sector's will to reduce their greenhouse gas emissions and appreciate their efforts to ensure the sustainability of their biofuels sourcing," says Jean-Philippe Denruyter, WWF Global Bioenergy Coordinator and Steering Board Member of the Roundtable on Sustainable Biofuels. "By teaming up with the Roundtable on Sustainable Biofuels, the aviation sector can build on an existing solid multi-stakeholder process that will reinforce this initiative." All group members subscribe to a sustainability pledge stipulating that any sustainable biofuel must perform as well as, or better than, kerosene-based fuel, but with a smaller carbon lifecycle.

The user's group pledged to consider only renewable sources that minimize biodiversity impacts: fuels that require minimal land, water and energy to produce and that don't compete with food or fresh water resources. In addition, cultivation and harvest of plant stocks must provide socioeconomic value to the local communities. The group has announced two initial sustainability research projects. Assistant Professor Rob Bailis of Yale University's School of Forestry & Environmental Studies, through funding provided by Boeing, will conduct the first peer-reviewed, comprehensive sustainability assessment of the plant *Jatropha curcas*, to include lifecycle CO2 emissions and the socio-economic impacts to farmers in developing nations. Similarly, NRDC will conduct a comprehensive assessment of algae to ensure it meets the group's stringent sustainability criteria. Both species may potentially become part of a portfolio of biomass-based renewable fuel solutions that, through advanced fuel processing methodologies developed by energy sector leaders such as UOP can help aviation diversify its fuel supply. "This taskforce comes at just the right time to help airlines cut costs and decrease their greenhouse gas emissions," said Liz Barratt-Brown, NRDC senior attorney. "If done right, sustainable biofuels could lower the airlines' carbon footprint at a time when all industries need to be moving away from fuels with high levels of global warming pollution, especially high carbon tar sands and liquid coal."

Flying the Olympic Dream



Cargolux was one of the carriers transporting important sports materials from Europe to Beijing for the recently held Olympic Games in China.

The company's staff in Budapest, together with Schenker, arranged for the transportation of one complete trailer with twenty seven kayaks/canoes which belonged to the Hungarian Kayak-Canoe Olympic Team. Its weight was of 2360 kilos, with a length of 11,5 metres, a width of 2,4 metres, and a height of 2,4 metres.

End of July 2008, the shipment was flown from Budapest to Luxembourg and continued to Beijing, with arrival on August 1st. Schenker China Ltd. leased a new facility for the Olympic Games including 16,000 m2 of covered warehousing, plus an additional 10,000 m2 of open space for the storage of containers, while 800 Schenker staff took care of their shipments in Beijing.



Another shipment for the Olympic Games, arranged by Cargolux's General Sales Agent for Portugal (G.S.A. Gestão de Serviços Aéreos Lda) together with Schenker Transitarios, originated in Portugal.

It was made of eight kayaks with a total weight of 1695 kilos. Seven of the kayaks had following dimensions: 530 x 55 x 45 cms, and one 660 x 55 x 45 cms. The shipment also consisted of cartons with accessories of 60 x 40 x 50 cms. The routing was Oporto - Luxembourg where it was loaded onboard CV 7484 on July 03rd, for final destination Beijing. The shipper was Nelo Mar Kayaks / Bocog.

Furthermore, six Canadiers and twenty one Kajaks with equipment were transported on July 24th. Total weight was 15000 kilos. Twenty rowing boats for the German Team of 1900 kilos, 1250 x 230 x 290 cms, followed on July 29th. Filming by German TV 'ZDF' took place in Luxembourg.

In addition to the Schenker shipments from Frankfurt, Cargolux Frankfurt also had some canoes and kajaks in crates from UPS plus additional 'loose' kajaks from other forwarders.



Last but not least, Cargolux, Frankfurt, together with Schenker, arranged for the transportation of two sailing boats to Qingdao via Beijing. These sailing boats of each 1100 kilos, were flown on June 12th. They belonged to the Australian Team. Dimensions were 740 x 210 x 185 cm.

Two more sailing boats of a total weight of 2426 kilos, 750 x 200 x 175 cm, belonging to the German Team, were carried on board the same flight on June 24th.

An additional sailing boat of 971 kgs belonging to the Portuguese team was also carried onboard this Olympic flight. The dimensions of this sailing boat were 730 x 205 x 190 cm.

All of the sailing boats were carried on board Silkway aircraft, with whom Cargolux holds a long-standing cooperation agreement.



Cargolux Supporting Relief Goods Shipments

As handled for many years already, in 2007 and 2008, Cargolux supported an important number of local and international relief organizations by accepting relief goods on board its freighters on a free of charge stand-by basis, i.e. whenever space is available.

Additional shipments include relief goods to help people in need who urgently require humanitarian supplies. All year round, those charity shipments are flown to various destinations mostly in Africa: Chad, Tanzania, Kenya, South Africa, Togo, the Ivory Coast, the Dem. Rep. of Congo, Nigeria and Burkina Faso, plus additional relief goods destined for India, and most recently, also for Tbilisi/Georgia.

All shipments are flown on board CV's B747-400 freighters to the nearest Cargolux gateway, then trucked or flown by interline carriers, to the final destination. In most cases goods are delivered to small villages hit by natural disasters, where people are less privileged, providing vital support to local hospitals and schools. The content of the boxes is often identical, ranging from used clothes, shoes, toys, school items, books, sheets, medical equipment, wheelchairs, medicaments and bicycles, or used computers, collected by various organizations, and then trucked to Luxembourg.

In addition to organizations' entrusted relief shipments, Cargolux staff also assembles boxes with similar items at various head office departments and stations, also all year round. The company's staff packs the boxes sorts them and finally ensures the necessary customs documentation is available. Further coordination is done with the company's local offices who consult on customs regulations, local requirements, and who also take best care of the correct distribution to the local organization upon arrival of the shipment. Cargolux has received many letters of

appreciation by people in need, providing evidence of the importance of such activities. The support of relief shipments is offered by Cargolux staff and management in addition to the company's charter activities, i.e. requests for entire B747-400 cargo charters of relief goods, often received on government basis. Such shipments are handled by the company's charter department.



Cargolux's Asia Trucking Network

Cargolux Asian operations are complemented by regular trucking services serving most industrial centers where airfreight services are not available. Trucking offers the flexibility to forwarders to bring freight in a fast and reliable way to remote production plants.

In cooperation with forwarders, special arrangements allow pick-up and delivery at customer's door of any special commodity. Most trucking services connect Hong Kong, Shanghai, Beijing, Melbourne, Auckland, Komatsu, Taiwan and Malaysia.

For further information please contact your local sales office or asiapacific@cargolux.com.



Chain Reaction

Air cargo security is the sleeping giant of world's airline industry, a volatile mix of politics, regulations and processes, with the potential to either stifle or bolster the world economy. The stakes are high. Air cargo is a \$54 billion business covering some \$3.55 trillion worth of goods with the potential to grow in line with increased international trade links.

But since 9/11, the security of air cargo has become a front and centre issue – particularly in jurisdictions like the U.S – with little sign of an international consensus.

"The biggest challenge that we are currently facing is non-harmonisation mainly between U.S. and European security rules," says Alain Breuer, Head of Security for Cargolux. The disparity means there is a real different way of thinking around the world when it comes to the security of air cargo. Add to that the fact that cargo is transported in all-cargo aircraft

as well as in the belly of passenger aircraft – two different types of security threats – and a jungle of opinions and rules become even more entangled.

All these factors translate into marked differences in the philosophy and timeline of new measures under consideration – and implementation – in different countries.

"All-cargo carriers have to follow security measures laid down in the TSA's 2007 All-Cargo International Security Program (ACISP)," confirms Breuer. He points out ACISP regulations are in addition to the security measures of Cargolux's national regulator and ICAO Annex 17 (Safeguarding International Civil Aviation against Acts of Unlawful Interference), as well as the European Commission standards, which are binding to all EU Member States.

But if rules already in place represent hard reality, there is plenty of fantasy left in proposed regulations. Because new rules don't just generate more paperwork and red tape, they can also present major logistical challenges – such as cargo screening using x-ray and explosive detection technology.

In the U.S., the TSA Certified Cargo Screening Program (CCSP) is being phased in, with deployment in nine cities through the first half of 2008. The project, legislated as part of the 9/11 Bill, aims for no less than 100% screening of all cargo on U.S. passenger aircraft by October 2010. This could cost the industry more than \$3.6 billion over 10 years and effectively strip air cargo of its competitive capability.

It's a philosophy being followed in the EU, which has a completely different perspective on air cargo security to the U.S. The European focus has mostly been on supply chain security through enhancing the Regulated Agent and 'Known Consignor' approach. EC directive 2320/2002, which regulates aviation security, was introduced in 2003 but in January 2007, implementing regulation EC 831/2006 built on the concept of an 'Account Consignor', a shipper whose cargo can be positively identified for carriage exclusively on board all-cargo aircraft.

- **Cargo protection**

For its part, IATA is developing the Secure Freight Programme, with the vision of "secure operators on secure trade lanes recognised by regulatory bodies". This is basically an air cargo security assurance system. It aims to set industry standards that secure shipments in the supply chain and then protect them from unlawful interference until it has been loaded on the aircraft.

"It is essential to secure the entire supply chain because it would take away a lot of the burden that has been placed at the airports," agrees Breuer.

The Secure Freight Programme will initially secure trade lanes and ultimately address any vulnerabilities which

remain in the global air cargo network. The approach has three components. The first is to speak with one voice via the Air Cargo Security Industry Forum. Second, IATA intends to develop as part of a baseline quality assurance system, internationally recognised security accreditation standards, coupled with a security audit to be piloted during the first half of 2009. A global registry of secure supply chain operators will be created and training and other support modules will be developed.

Like many other IATA programmes, Secure Freight will be voluntary. However, it will leverage the credibility of IATA in other areas like the widely-recognised IOSA (IATA Operational Safety Audit) programme.

One of the key challenges of Secure Freight will be the involvement of all members of the cargo supply chain – not just airlines and agents. “IATA is taking a very practical and pragmatic approach to this challenge,” says Edwards. “We certainly don’t want to reinvent the wheel or duplicate any effective initiatives which are already out there. On the contrary, what we want to do as we develop the Secure Freight Programme is to use the best of what’s already working and fill in the gaps.”

- **The next steps**

The immediate work ahead is to define the elements that comprise Secure Freight. Then it’s a question of selecting volunteer operators to be involved at an early stage in the Secure Freight Programme and lead pilot projects in 2009.

“By 2010, we want to have a basic programme in place for selected types of operator and cargo commodities and then we would go live,” says Edwards. “In other words, it would become an operational norm for some but we would continue to develop a programme for those other operators and commodities that are not yet on board.”

Cargolux’s Breuer agrees the IATA approach is on the right track. “The most difficult situation is when we get a set of regulations which don’t make sense to the security experts at the company,” he says. “Can you imagine how difficult it is to then roll that out into our organisation and convince our people working in the warehouse to follow procedures that don’t make sense to us?”

“Whatever we implement as an industry must make sense.”

- **Tools of the trade**

The tools of air cargo security are many but the key challenge for regulators and the industry is to work together to deploy the right technology in the right place at the right time.

Baseline tools include ‘known shipper’ programmes designed to prevent the shipment of cargo from unknown sources, various x-ray technologies and Explosion Detection Systems (EDS).

In the U.S., the TSA has announced plans to train and certify more than 400 explosives detection canine teams, composed of one dog and its handler, during the next two years. Eighty-five of these teams will primarily search export cargo bound for passenger-carrying aircraft. The first TSA teams began training in January 2008 and graduated after a 10-week training course.

“As terrorists become more sophisticated and new threats emerge, urgent research and development is required to facilitate commensurate responses, which will at worst keep pace with the new threats and at best forestall them,” says IATA’s Edwards. “New technologies should be developed and adopted as part of an overall, consistent, global approach to air cargo security.”



Since 1995, Cargolux actively supports the Cargo 2000 initiative; the quality management system for movement of air cargo by freight forwarders and carriers through the supply chain.

In a joint effort, Cargolux played a key role, helping to develop the Master Operating Plan (MOP) and the Cargo 2000 Data Management Platform (CDMP).

Both programs are built on a common set of standards, giving full transparency on customer service, capacity management, handling and other operation elements. The Cargo 2000 methodology implemented in Cargolux covers the planning, control and measurement of the airport to airport air freight process. Cargolux is fully dedicated to continually improving these processes thus enhancing the service levels to its customer base.

In the end, both parties should benefit from enhanced and faultless procedures.

Since airlines now speak the same language than freight forwarders, quality performances can be measured and improved much more efficiently.

Most people do not have the time to read through multiple performance reports; with the Cargo 2000 routine we proactively know the effort to ensure the service commitment; that’s why Cargolux continuously uses real-time data for corrective action, enabling the company to highlight improvements and maintain high level standards throughout the transport chain. The Cargo 2000 quality management system is the ideal tool for follow-up with customers as well as service suppliers. Close to 85% of Cargolux’s regular network stations are following the ‘Cargo 2000 methodology’. [Read more news on Cargo 2000.](#)



Cargolux-Upcoming Events

Cargolux will be actively participating in major industry conferences and exhibitions in the upcoming weeks.

The following link provides a detailed schedule of the events: [link](#).

[Back to top](#)

for more information please contact: [A.Ottinger](#) or visit [our site](#).

Subscribe: To subscribe to Cargolux's newsletter, please [click here](#)

Unsubscribe: To unsubscribe from Cargolux's newsletter please . [click here](#)

Printable version: the attached document is a PDF version of our newsletter.