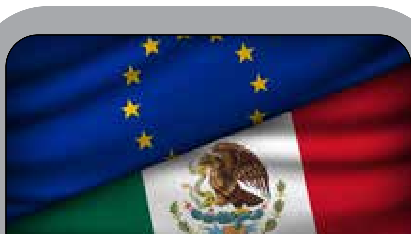
Voice of the Independent

JUNE 2026 | SERVING THE INDEPENDENT FREIGHT FORWARDING COMMUNITY | No.174



Spot rate surge sees carriers back to behaving badly

The early peak is producing high demand at a moment of tight capacity

"COUNT Dracula at the abattoir on slaughter day" is how a forwarder described the start of the month, with many others warning that the recent recovery of ocean spot rates on the transpacific and Asia-Europe trades was set to kick off a rates surge.

And to make matters worse, Asia-Europe shippers on long-term contracts are beginning to feel the early peak season's effects, as the strong spot market demand and the high premiums carriers are slapping on non-contracted cargo begins to be felt.

The early peak is producing high demand at a moment of tight capacity, which has allowed carriers to hit shipments on long-term contracts with peak season surcharges which, forwarders are claiming, gives shippers few options.

"'Pay to play' is back – carriers smell blood and are lapping it up like a ravenous Count Dracula at the abattoir on slaughter day," one forwarder told Voice of the Independent (VOTI), believing that the relative gains shown by indices are hiding something.

> 'strong demand was being generated by larger shippers under long-term contracts'

Drewry's World Container Index (WCI) for the week ending 29 May showed relatively modest week-on-week gains, with its Shanghai-Rotterdam route up three per cent week on week, to $2,861 per feu, and its Shanghai-Genoa up four per cent to $4,253 per feu.

Sources told VOTI that the strong demand was being generated by larger shippers under long-term contracts – protecting them from emergency fuel surcharges introduced after the closure of Hormuz – getting as much through before they expire on 1 July.

When that happens, carriers will set new BAFs for the third quarter and, with these set to be much higher than present levels, shippers' desire to pull-forward shipments has prompted a June demand spike.

"The big BCOs, that have long-term deals, won't have been paying EBSs during the past couple of months. But from 1 July, the bunker factor in their contracts is going to go through the roof," another forwarder told VOTI.

Continued on page 3

Every expectation that rates will rise further

continued from page 1

The Shanghai Containerised Freight Index indicates forwarders are on to something, with its Shanghai-North Europe base port leg up 30 per cent week on week, to $2,475 per teu, while its Shanghai-Mediterranean is up 17 per cent.

Providing their own forecast, forwarders seemed fairly unanimous in touting a $4,000 per 40ft rate on Asia-North Europe trades for the start of June and with every expectation that, given current demand levels, this will only rise over the 30-day period.

> "the structural setup for June points toward a brutal, highly compressed freight environment"

Several carriers have set 1 June FAK rates nearing $5,000 per feu on Asia-North Europe, with MSC yesterday announcing an FAK price of $6,000 per feu to North Europe and $6,500 to the West Mediterranean from 15 June.

“We expect the Asia-Europe spot market in the second half of June, even into July, could reach $6,000 or $7,000 per feu. The signs are that the 15 June FAK will stick – because you cannot get space in the second half of June in the market,” another forwarder said.

On the transpacific, the picture is very similar, having not been helped by CMA CGM’s decision to pull its Columbus JAX service from South-east Asia to the US east coast, and its 10,000 teu of capacity a week, leaving carriers very aggressive in negotiations.

One forwarder said that the single-digit gains recorded for WCI’s Shanghai-New York leg – up six per cent, to $4,597 per feu – and its Shanghai-Los Angeles – up three per cent to $3,473 per feu – was the “calm before an impending storm”.

“Multiple major carriers have issued aggressive general rate increase (GRI) indications for June – the structural setup for June points toward a brutal, highly compressed freight environment,” the forwarder added.

Compounding the frustration is, sources told VOTI, the decision of carriers to withdraw contract offers before forwarders had a chance to file them with the Federal Maritime Commission (FMC), with carriers expecting the rate spike to last well into August.

Added to which, carriers are also cutting allocations, with the ocean freight manager at a major European retailer telling VOTI that recent carrier behaviour towards long-term customers had become “unacceptable”.

They said: “Carriers have returned to normal behaviour, which is how they can squeeze as much out of this as possible. Potentially, this is an early peak season – we’ve got very high bookings at the moment, although we’re not sure how long that’s going to go on.

“We’ve gone out to the carriers to see how they could help, and some of them basically said ‘you’ve taken your allocation, if you want more, then you have to pay for it – and here’s a premium rate’.

“It’s just standard behaviour from them, and if this [Gulf] peace deal gets done, which I hope it does, then in four months’ time things will quieten down, and the carriers will be begging for our volume; and I am basically going to give it really hard to them.”

The manager said that one carrier had unilaterally reduced the allocation available to the shipper in one recent week by 10 per cent, describing the situation, “from a behavioural standpoint, as completely grim”.

The manager added: “We have had major meetings at very senior levels and told the carriers that this type of behaviour is absolutely unacceptable. Well, they have just done it again.”

The hi-tech commodity set to change supply chain strategy

AI infrastructure is reshaping freight flows across multiple modes and regions, spiking demand for specialised handling, premium air freight capacity, and new routings from South-east Asia to the Middle East.

Multiple forwarders have pointed to the impact of the AI boom, noting that the balance between air and ocean cargo was being upended.

One carrier noted that chaos in the Middle East, compounded by tightening airfreight capacity and rising fuel prices, was pushing cargo off aircraft and increasingly towards those offering expedited ocean products.

With airfreight having experienced a difficult start to 2026 in core markets – notably the Middle East – those moving parts for data centres have been forced to look elsewhere.

This, sources told Voice of the Independent, was creating opportunities for “airfreight conversions”, from the skies to the seas, with expectations that this modal shift may only intensify in the coming weeks with little sign of the Middle East crisis abating.

Alongside shifting modal behaviour, there has also been a shift in the make-up of tradelanes, with manufacturers continuing to diversify production away from China.

The region benefiting most from this has been South-east Asia, with heightened freight flows and new tradelanes popping up, including strong growth in the number of new feeder services in Vietnam and Thailand.

Sources noted this was shifting AI infrastructure from being simply another technology segment that logistics providers handle, to a structural driver of freight demand.

A consequence of the shifting status of AI infrastructure is that it now has an increasing capacity to reshape global transport networks, capacity planning, and supply chain strategy across both air and ocean markets.

Airfreight rates soaring as the world changes

CONFLICT in the Middle East is continuing to drive airfreight rates ever higher, with WorldACD reporting that the ongoing supply disruption prompted a 36 per cent year-on-year climb in May.

Chief executive of WorldACD Ken De Witt Hamer told attendees at TIACA’s Executive Summit in Warsaw that the geopolitical tensions across the Gulf had led to the airfreight market had experiencing a sharp shift since early March.

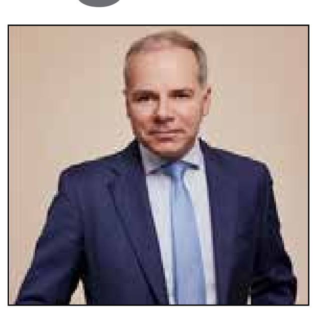
That shift has not undermined the resilient demand for air cargo, but the disruption has pushed rates up substantially after airlines rerouted aircraft, redistributed capacity and forced supply chains to adjust to changing network conditions.

Per WorldACD, global rates dropped two per cent year on year in January before a five per cent rise in February, accelerating through March and April before hitting 36 per cent in May.

For carriers, the sudden surge in rates is likely to result in something of a revenue windfall, WorldACD suggesting income may have jumped 16 per cent for the year to date amid a 12 per cent rate rise and four per cent volume growth.

> 'the sudden surge in rates is likely to result in something of a revenue windfall"

If true, it would mark a remarkable turnaround for carriers which were panicking after the onset of war between Iran and the US and Israel led to a grounding of capacity as Gulf carriers found themselves unable to fly.



KEN DE WITT HAMER
WorldACD

After the conflict erupted in February, inbound cargo into the Gulf plummeted some 60 per cent, according to WorldACD, but had returned to pre-war levels by May, showcasing the resilience of air cargo demand.

It has been felt in pricing, with Amsterdam-Dubai, Hong Kong-Riyadh and Mumbai-London routes all experiencing dramatic rate rises since the start of the year.

Amsterdam-Dubai has proved particularly hot, with rates close to 200 per cent up year on year, with other routes experiencing a doubling in rates compared with 2025, and little indication they could slow soon.

De Witt Hamer said: “To put that rate into perspective, the average rate in May this year was $3.23. The peak in our historic data back to 2008 was during Covid in December 2021, where the average global rates were at $4.43.”

Focus ON

A new era for ecommerce – w more scrutiny on price and pr

“BRUTAL and fast” is one way of describing how the de minimis exemption was scrapped across Europe and North America. And it is the option co-owner of Argents, Tony Chiappetta, picks out when asked by Voice of the Independent (VOTI) for his thoughts on the matter.

“When the China carve-out hit in May 2025 and the universal suspension followed in August, China-US air capacity dropped more than 50 per cent almost overnight,” Chiappetta says. “Chinese platforms Shein, Temu, etc all pivoted into European lanes within weeks. Now the EU door closes 1 July, so that pressure valve is gone too.”

That “China carve-out” Chiappetta is talking about was the decision of US regulator to scrap its de minimis exception, which had allowed the almost unimpeded flow of goods valued below the $800 into the US. Without the exemption, the sudden surge in Chinese e-commerce that accompanied the pandemic would not have been possible. Nor is the US alone, the EU has also revoked its own form the de minimis exemption, scrapping the duty-free transit of goods valued below €150 into the bloc. From July, those goods will now require payment of a flat rate €3 tax.

What this means as far as forwarders are concerned is a shift in their working patterns. Before, the emphasis had been on moving parcels... lots of them. Now, Chiappetta says, the aim of the game is managing the complexity that has accompanied the abrupt rule change.

“Customs classification, HTS coding, bulk consolidation, FTZ and bonded warehouse strategies these used to be back-office,” he continues.

TONY CHIAPPETTA
Argents

“Now they are the front-line product. We are seeing some customer migration from direct cross-border parcel into US-based bulk and fulfilment, but it is gradual, most brands are still figuring out their new playbook. The freighters that used to fly e-commerce parcels are being repositioned into general cargo lanes, and rates on those routes have softened. This is a recalibration, not a collapse.”

Nicholas Timmins, president and chief executive officer of FB Canada Express, tells VOTI that the rule change prompted forwarders into adapting away from a “parcel-first” mindset to one which he says is more structured around a customs and gateway model.

“For years, a lot of cross-border e-commerce growth was built around speed, low-value parcels, and simplified entry,” Timmins continues. “As de minimis rules tighten in the US and Europe, the advantage is shifting toward forwarders who can manage data, duties, documentation, consolidation, and clearance earlier in the process.”

Asked what this means in practice, Timmins notes that “the biggest change” has surrounded the relationship between planning and movement, with the former now starting before the shipment is commences its journey. This necessitates even closer relationships between forwarders and shippers, with the two needing to work together to align product data, HS codes, origin information, duties, taxes, and consignee details ahead of arrival. Consequently, Timmins says that the operational conversation has changed, moving away from only talking about finding lift to ensuring that shipments can be released once they land without issues. All of which is impacting the make-up of the airfreight sector too.

> "airfreight is not just moving toward the fastest airport. It is moving toward the most prepared gateway"

“Some direct-to-consumer parcel traffic that previously moved straight into the US or Europe is being reconsidered, consolidated, or routed through gateways where customs expertise and final-mile injection are stronger,” Timmins says. “Canada is part of that conversation. For shipments entering the Canadian market, bonded warehouse access, licensed customs clearance, and national final-mile reach are becoming more important because they help reduce border friction and create a cleaner path from arrival to delivery. For FB Canada Express, this reinforces what we already see in the market: airfreight is not just moving toward the fastest airport. It is moving toward the most prepared gateway. In a more regulated e-commerce environment, forwarders need partners who can keep freight moving while protecting compliance, cost control, and the shipper’s customer experience.”

Another Canadian outfit, Mantoria, has also spotted opportunities emerging out of the changes occurring south of the border. Its president, Florent Bojarski, tells VOTI that, together with the pending renegotiation of the free trade agreement between Canada, Mexico, and the US, “many” Canadian operators are watching these developments carefully as it continues to evolve.

“Some e-commerce companies are using Canadian distribution hubs as part of a North American strategy, particularly around Toronto and Vancouver, where access to ports, air cargo infrastructure, and US markets remains attractive,” Bojarski says. “At the same time, forwarders are seeing more demand for bonded warehousing, cross-border consolidation, and hybrid ocean-air solutions that can reduce landed costs without sacrificing delivery times.”

Michael Keupp, head of ecommerce at European forwarder Group7, tells VOTI that the tightening of the de minimis regulations and the associated rise in customs scrutiny in both Europe and North America, has made individual parcel-level clearance notably more complex, costly, and less predictable.

“Therefore, we are increasingly moving away from fragmented B2C parcel clearance toward consolidated B2B2C import structures,” Keupp says. “As a result, flows are being centralised: goods are imported in bulk under B2B processes and then distributed domestically to end customers. This reduces administrative effort, improves customs consistency, and helps avoid additional handling charges increasingly associated with direct-to-consumer shipments. It also allows valuation based on the actual cost of goods sold instead of retail price, improving duty efficiency. Airfreight is adapting accordingly, with stronger consolidation at origin and destination, and greater use of bonded warehousing and regional distribution hubs.”

> "customers are scrutinising speed versus cost much more carefully than they were a few years ago"

For Group7’s day-to-day work, the regulatory changes have prompted the company to support multichannel e-commerce flows by combining its services, including B2B and B2C fulfilment, customs services (including Importer of Record or Indirect Representative), and its bonded warehousing operations within Germany. All of this is supported by a deep network, boasting branches across the country’s key logistics hubs, including Munich, Frankfurt, Hamburg, Bremen, Dusseldorf, Stuttgart, Hanover, and Nuremberg. All of which, Keupp says, enables centralised import as gateway into Europe and efficient distribution there.

President of GLC Sophia Huluta tells VOTI the company had to become far more compliance-focused. With the tightening of de minimis regulations, Huluta says that the days of prioritising speed over documentation are winding down.

“We are seeing increased investment and need from our clients in customs expertise, documentation accuracy, landed cost tracking, and shipment level compliance,” she continues. “From an airfreight perspective, shippers are becoming more intentional. Some low-value and fast-fashion e-commerce freight is shifting toward consolidation strategies and/or more regional inventory positioning. Airfreight remains critical, but customers are scrutinising speed versus cost much more carefully than they were a few years ago.”

So, do the regulatory changes leave any concerns over the future of e-commerce and its continuing growth potential? In general, the forwarders VOTI spoke with believe the ceiling has yet to be hit. Timmins is among voices claiming that the changes to de minimis legislation do not necessarily mark the end of e-commerce growth.

“But they do signal the end of one version of it: growth built mainly on low-cost, low-value parcels moving across borders with limited friction,” he says. “The last decade, and especially the pandemic period, rewarded models that could move high volumes of low-cost goods quickly and cheaply across

NICHOLAS TIMMINS
FB Canada Express

FLORENT BOJARSKI
Mantoria

eCommerce

vith
rofit

borders. De minimis rules supported that environment by allowing many low-value shipments to move with fewer duties and less friction. As those rules change, the economics become more complex. Some products will become less attractive to sell internationally, some routes will be reworked, and some brands will need to rethink pricing, landed cost, and delivery promises."

Nonetheless, Timmins stresses, the demand for cross-border e-commerce is not going away. He points out that consumers are still buying internationally, marketplaces are still expanding, and brands are still looking for ways to reach new customers without building their own infrastructure in every country. Where changes are occurring is behind the scenes, especially, he says, when it comes to the level of discipline required.

"The next phase of growth will likely be more operationally mature," Timmins says. "Instead of relying on low-cost parcel flows alone, shippers will need better data, stronger compliance processes, clearer duty and tax handling, and more reliable delivery networks. Forwarders who can support that shift will remain central to e-commerce growth, even if the growth curve looks different from the last few years."

Chiappetta agrees.

SOPHIA HULUTA
GLC

"What is ending is one specific model: the $7 leggings shipped duty-free from a factory in Yiwu to a consumer in Ohio. That model was always regulatory arbitrage, not logistics innovation, and it was never going to last forever. What is not ending is the consumer demand for cross-border e-commerce."

Instead, Chiappetta sees it moving back towards the bulk import model in which goods are "properly cleared" and fulfilled domestically. What this means for growth is that the curve on the ultra-low-cost items, those $7 leggings, flattens quite significantly. But for the third-party logistics providers and those engaged in fulfilment, the curve is set to climb "fast", with expectations that in the US demand for new warehousing space could hit as much as 75 million square feet per year – "much of it absorbing inventory that used to sit in China".

"The headline is that 'e-commerce is growing up'"

"So, the headline is not 'e-commerce is dying'," Chiappetta continues. "The headline is that 'e-commerce is growing up'. The supply chain finally has to look like a real supply chain again with declared values, real duties, real compliance, and real partners managing it. That is a healthier industry, not a smaller one."

Bojarski says that within this "changing" environment, retailers are now coming under pressure to manage higher transportation costs and stricter compliance requirements while juggling "more demanding consumers" with expectations that their deliveries will be made at speed. For the Canadian market, he notes that one of the issues with this is geographic.

"Canada has a large population, but it also has relatively concentrated urban centres, which makes fulfilment costs more difficult to optimize than in some other markets," Bojarski says. "What forwarders and warehouse operators are seeing now is a move toward more strategic growth. Brands are paying closer attention to profitability, inventory placement, and delivery reliability instead of focusing solely on volume. For some 3PLs, this is creating opportunities in regional fulfilment, inventory management, and returns processing. Many ecommerce businesses are also looking for partners that can provide flexible warehouse capacity and help navigate increasingly complex customs and tax requirements across North America."

What about on the other side of the equation? The general sense from the forwarders VOTI spoke with is that e-commerce shippers have become a lot more cautious about their operations. Partly, this has been a response to being prodded by their forwarders and logistics partners to get a better handle on the state of the post-de minimis landscape.

"E-commerce shippers become more cautious, more informed, and more operationally involved than they were a few years ago," Timmins says. "The conversation has moved beyond rate and transit time. Shippers are asking more questions about landed cost, customs data, duty and tax collection, delivery consistency, and what happens when volume spikes. And there is also more interest in diversification."

But quite how that caution manifests itself appears to differ among the forwarders VOTI spoke with. Several say that a number of brands and marketplaces they work with have started to look beyond single-origin production models. For Timmins, this is especially the case in those markets where tariffs, duties, or regulatory scrutiny have become harder to absorb. And that sense of diversification is one spotted by Keupp, who has spotted an increased use of nearshoring or regional inventory positioning to reduce risk and improve delivery performance.

"In Europe, this leads to more centralised import models combined with in-region warehousing, reducing dependence on individual cross-border parcel flows," Keupp says. "At the same time, product strategies are shifting, as ultra-low-cost consumer goods become harder to sustain under rising compliance and logistics costs, while higher-value or branded products gain importance. In parallel, decision-making is becoming more data-driven, with customers placing greater emphasis on end-to-end visibility, exception management, and integrated control of transport, customs, and returns processes."

Similarly, Bojarski notes that forwarders are "definitely seeing" e-commerce shippers diversify both sourcing and fulfillment strategies. This means that while China remains central to many supply chains, companies are expanding manufacturing into countries like Vietnam, India, Thailand, and Mexico. He says that this decision has been made to reduce geopolitical exposure and improve supply chain resilience.

"Near-shoring activity into Mexico has become particularly important for North American distribution because it offers shorter transit times and more flexibility than long-haul Asia sourcing alone," Bojarski continues. "In Canada, some importers are also looking more seriously at domestic and US-based inventory positioning to avoid delays and improve delivery consistency."

Further to which, he notes that some e-commerce brands are becoming more selective about the products that they sell.

"The economics around ultra-cheap consumer goods are no longer as attractive once higher transportation, compliance, and return costs are factored in," he says. "Instead, some brands are focusing more on higher-margin products, stronger planning to limit lower turnover inventory, and regional fulfilment strategies that improve customer experience while controlling costs. For warehouse operators and 3PLs, flexibility has become one of the biggest differentiators. Customers increasingly want scalable storage, faster replenishment, and integrated cross-border capabilities rather than just basic fulfilment services.

But while shippers may be increasingly cautious and looking beyond single-origin sourcing practices, shippers are not unanimously migrating towards an immediate reshoring or near-shorting of their supply chain practices.

"For many, the cost advantages of established manufacturing regions still matter," Timmins says. "But there is a clear push to reduce dependency on one route, one origin, or one fulfillment model. We are also seeing a split in the e-commerce market. Very low-cost consumer products may face more pressure as added duties, fees, and compliance requirements reduce the margin advantage. At the same time, stronger brands, higher-value goods, time-sensitive products, and repeat-purchase categories can still perform well because customers are often willing to pay for reliability, speed, and trust."

"there is a clear push to reduce dependency on one route, one origin, or one fulfillment model"

Huluta says that the biggest change she has noticed in shippers, brought about by the new regulatory demands, has been an increase in the level of scrutiny around product profitability.

"Lower-margin products that relied on inexpensive transportation and simplified entry models are facing pressure," she adds. "Customers are becoming more strategic about sourcing, inventory positioning, and where transportation dollars create the most value."

MICHAEL KEUPP
Group7

Chiappetta has a different take on it, telling VOTI that "honestly, there has been more talk than action so far". Noting the barrage of headlines surrounding reshoring and the Mexico near-shoring boom, he says the operational reality is very different.

"In our customer book we are seeing more conversation than commitment," he notes. "US imports from Mexico were up 7.4 per cent in 2025, which is real but that is largely inventory positioning, not factories relocating from Asia. Most brands are not tearing up their supply chains; they are staging product closer to the US and absorbing the new duty math. The bigger shift is in the type of brand we are talking to."

Expanding on this, Chiappetta says that the "pure low-margin, low-price e-commerce sellers are struggling because their economics never assumed duties". This means the opportunities are coming much more from the mid-market brands with sufficient margin and brand equity to absorb landed cost without breaking the customer relationship.

"These are the ones thriving," he continues. "They are consolidating vendors, asking forwarders to take on more of the supply chain, and they are done juggling six providers. That has been good for full-service forwarders. For parcel-only players betting on cheap consumer products, less so."

Brazil eyes new markets amid beef with EU and US

WCA members in Brazil are contending with more uncertainty following proposals from the US Trade Representative (USTR) to hit the country with a new 25 per cent tariff rate over claims that it has engaged in “multiple unreasonable” practices against the US”.

Announcing the proposals the USTR, Jamieson Greer, said the Brazilian government’s anti-corruption enforcement, intellectual property protection, ethanol market access, and regulations on illegal deforestation were burdening or restricting US commerce.

“I launched this Section 301 investigation at President Trump’s direction to address longstanding and pervasive US concerns with certain of Brazil’s trade policies and practices,” said Greer.

“We continue to have substantial differences in resolving the issues identified in this investigation. I look forward to continuing engagement with the Brazilian government in advance of the 15 July statutory deadline for taking responsive action.”

A Section 301 is issued to address unfair foreign practices affecting US commerce and allows the president to impose tariffs for acts adjudged to have been unreasonable or discriminatory, and comes despite “several constructive meetings” between the pair.

With the US Supreme Court’s February ruling against the Trump administration’s 50 per cent levy on Brazil, this latest proposal throws further uncertainty at those who had hoped the 10 per cent rate – the most a president can impose unilaterally – was settled.

AGL Cargo’s Jackson Campos told Voice of the Independent the decision represented an “important shift in US strategy”, noting that unlike previous political measures it focused on trade barriers, intellectual property, digital services, and market access.

“The most relevant point for Brazil is that several strategic products are excluded, including beef, coffee, critical minerals, and aerospace components, reducing the immediate impact on some of its main export categories,” Campos said.

“Even so, it increases uncertainty for companies exporting to the US. Depending on the final tariff, industrial sectors may face reduced competitiveness and higher costs to access the US market.”

Greer said the USTR would hold a hearing on the action on 6 July and while the Supreme Court hobbled President Trump’s earlier efforts, should the USTR conclude Brazil has been acting against US interests, a 25 per cent levy could be incoming.

For Brazil’s shippers and their logistics partners, the perpetual insecurity surrounding their trade with the US will only exacerbate their desire to further develop new trading relationships that have marked the past 18 months as distinct.

Since the return of President Trump to the White House, Brazil and its neighbours have been actively increasing trading relationships with countries across Africa and Europe, with the former one of the fastest-growing tradelanes of recent times.

Forwarders told VOTI, that despite starting from a low base, the upturn in volumes into southern and western Africa had proved a real boon over the last year, with many seeing it as a reliable partner in an otherwise unreliable period.

One source told VOTI: “Newly formed corridors, such as Latin American to Africa, are proving to be structural, and are a story of strategic expansion that is prompting an ever-increasing interest among the carriers.

“While volume and service regularity is still in a formative phase, based on competitive network decisions and broader global trade reconfigurations, the outlook for the trades – given changing demographics – is positive.”

On the Latam-Europe front, the picture is slightly less rosy but largely due to an extreme growth rate recorded over the course of 2025 and worries over new beef regulations, but shippers and their forwarding partners appear hopeful, nonetheless.

> "The most relevant point for Brazil is that several strategic products are excluded"

Forwarders said that despite the lack of a “strong surge,” so far this year, the route had experienced “moderate growth” fuelled in part by continuing demand for agribusiness and industrial cargo, reflecting the end-of-year market in 2025.

However, Brazilian shippers are fretting over an EU decision to ban the country’s beef exports that is set to take effect in September, with one forwarder telling VOTI that the decision “is a nightmare”.

EU authorities slapped the ban on Brazil after the country’s authorities failed to provide sufficient assurances that its livestock producers were not using excessive quantities of antimicrobials, used to promote animal growth, in farming practices.

Exporters can still send beef to Europe until September, but, as one forwarder pointed out, “the sector is definitely concerned about it… our government is working to review this decision”.

Nor is beef the only casualty, with a European Commission health spokesperson telling Portuguese news outlets that it was also applicable to aquaculture, cattle, eggs, honey, horses, and poultry-related produce as well.

Some appear optimistic that the Brazilian government will be able to provide Europe with the assurances it seeks, one noting that they thought it likely that a resolution could be found, adding that Brazilian beef is “the most exported in the world” and “very high quality”.

Spotlight ON

Richard Forson

In an uncertain market, the key is: don't panic – we can handle it

Cargolux chief executive

FOR much of the past decade, some of the world's largest logistics providers have steadily increased their access to dedicated airfreight capacity, through long-term charters, strategic partnerships and closer involvement in air operations.

To some observers, that raises an obvious question: do freight forwarders still need traditional cargo airlines in the same way they once did?

For Cargolux chief executive Richard Forson, the answer is unequivocal.

Asked whether Cargolux still sees itself as the "forwarders' airline", he does not hesitate.

"Yeah," Forson tells Voice of the Independent (VOTI). "We deal principally with forwarders."

While acknowledging that many forwarders have secured greater control over airfreight capacity in recent years, he does not believe that independent freighter operators are becoming any less relevant.

"I think that they will always need the airlines," he says. "I do not think there is going to be any forwarder that will take on their own capacity to satisfy all of their demands."

Instead, he argues, there will always be a need for neutral third-party carriers capable of offering global networks, scheduled services and the flexibility required to respond to changing market conditions.

"There will always need to be third-party players, dedicated freight operators flying scheduled routes and offering a global network for the forwarders," he says.

In many ways, that belief shapes Cargolux's view of the market. The airline sees its role as helping forwarders navigate an increasingly complex global trading environment.

And complexity is certainly not in short supply at present.

If there is one theme that runs throughout Forson's assessment of the current market, it is uncertainty.

Trade flows are shifting; tariff policies continue to evolve; geopolitical tensions remain elevated. New cargo segments are emerging, while traditional markets are being reshaped.

"In terms of Cargolux, we run various scenarios as to how the traffic flows will change, and develop responses," he says.

For forwarders, this uncertainty has become a defining feature of the business.

> "Everybody is on the AI boom at this stage"

The removal of de minimis exemptions in the US altered ecommerce flows almost overnight. Potential tariff changes continue to influence sourcing decisions. Meanwhile, manufacturers are increasingly diversifying production beyond China into other parts of Asia.

Forson points to India as one of the markets attracting significant attention.

"India is another country that is ramping up," he tells VOTI.

However, he also warns that success can attract too much capacity.

"The careful thing for India is if you keep the market in equilibrium, everybody will make a living. But if it goes out of equilibrium, where there is too much capacity, then players will suffer."

For airlines and forwarders alike, identifying the next growth market is often easier than predicting how quickly competitors will arrive.

One of the clearest growth areas today is artificial intelligence infrastructure.

The global race to build data centres is creating new demand for high-value electronics, server racks and related equipment, much of which is moving by air.

"Overall, in terms of growing sectors, it is obviously with the transportation of server racks, with the data centres being set up to facilitate AI development," says Forson. "Everybody is on the AI boom at this stage."

Unlike some technology cycles, AI investment is not concentrated in one geography.

Shipments are moving into Europe, North America and Asia as governments and companies invest heavily in computing infrastructure.

For freight forwarders, this creates opportunities in specialist handling, project logistics and time-critical transportation.

Cargolux is also seeing growth in pharmaceuticals and other high-value electronics shipments.

"We see pharmaceuticals picking up as well," says Forson.

Taken together, these sectors are helping offset some of the uncertainty affecting more traditional cargo markets.

At the same time, geopolitical developments continue to have a profound impact on global supply chains.

The conflict in the Middle East forced Cargolux to suspend several regional destinations and rapidly adjust its network.

"Being able to take decisions quickly is of crucial importance," says Forson.

He compares the experience to the early days of the Covid pandemic, when airlines were forced to adapt almost daily to changing restrictions and operating conditions.

"Every day things change, and you have to be ready to react immediately and take a decision," he says.

That need for agility has become increasingly important as disruption becomes more frequent.

Forson believes flexibility and resilience are now among the most important characteristics for any logistics business.

"The biggest thing I have learned is do not panic," he says. "Establish what the facts are, and, based on those facts, take the decision quickly."

It is a philosophy developed through multiple crises, from the pandemic to trade disputes, airspace closures and geopolitical conflict.

One issue that particularly concerns European airlines is what Forson sees as an increasingly uneven competitive environment.

The closure of Russian airspace has forced European carriers onto longer routings to Asia, increasing flight times, fuel burn and operating costs. Meanwhile, competitors in other regions continue to benefit from more direct routes.

"We are all not competing on the same basis anymore," he says.

He argues that European airlines are also operating under regulatory requirements that are often more demanding than those faced elsewhere.

"From an EU perspective, we are probably the most impacted region through regulations and requirements."

For forwarders, those differences ultimately influence rates, transit times and network availability.

Despite all of the uncertainty, Forson remains broadly optimistic about the long-term outlook for air cargo.

He believes demand will continue to be driven by technology, electronics and global trade, even if trade patterns evolve.

"The biggest thing that will change is what we carry," he says.

And while the industry continues to adapt to AI, geopolitical disruption and shifting manufacturing patterns, he remains convinced that one relationship will endure.

Forwarders may control more capacity than ever before, but dedicated cargo airlines still have a critical role to play.

For Cargolux, remaining relevant means continuing to provide the global networks, flexibility and neutrality that freight forwarders need.

In an increasingly unpredictable world, it is this partnership that may prove to be more important than ever.

Warm welcome for new EU-Mexico free-trade deal

FORWARDERS and shippers from across Europe and Mexico have welcomed the signing of the new free-trade agreement between the EU and the Central American powerhouse, which provides duty-free access for almost all goods.

The deal forms part of an effort by both sides to not only strengthen their own ties but to further reduce the dependence on both China and the US, particularly given the volatile tariff policy of the latter.

European Shippers' Council secretary general Godfried Smit welcomed the deal's inking, noting: "Trade agreements are always very important for the EU as they reduce customs duties and also decrease the often-underestimated administrative burdens.

"These can be costly, as well as adding complexity and unreliability to procedures which translate into significant delays at the borders. From a business perspective, these agreements open up markets," he continued.

"And, for EU companies it is also very important that they diversify their sourcing as geopolitical tensions are very high at the present moment and there is the risk of disruption to logistics."

Mexico exports chemicals, machinery, metals, mineral products, and transport equipment, to the EU, importing automotive products, chemicals, industrial equipment and machinery from the bloc.

While welcoming the deal, forwarders were keen to stress to Voice of the Independent (VOTI) that it does not serve as a magic bullet for the two parties to sever ties with the US, pointing out trade between the two equated to just five per cent of their US trade.

Trade between the two hit $79bn in 2025, by contrast, EU trade in goods alone with the US surpassed the $900bn, although the bloc is ranked as Mexico's third-largest trading partner behind China and the US, and its second-largest export market.

Nonetheless, they seemed optimistic that given time and support, there was sufficient appetite to see trade between the two grow, with EU-Mexico trade having surged up 75 per cent in the last 10 years.

Furthermore, the growth trajectory has

been pretty even, with exports growing slightly faster at 92 per cent compared with the 66 per cent growth rate for imports, while more than 45,000 EU companies are expected to benefit from the new trade agreement.

Nicolette van der Jagt, director general of the European Association for Forwarding, Transport, Logistics and Customs Services (Clecat), said that the trade body was, by and large, supportive of trade agreements that facilitate international trade.

"Such agreements can contribute to smoother customs procedures, greater regulatory cooperation and more predictable trading conditions, which are particularly important for SMEs involved in international supply chains," she said.

She added: "In that respect, the EU-Mexico modernised trade agreement is a positive development," but noted Clecat had yet to conduct a sector-specific assessment of the EU-Mexico agreement, meaning she could not say which vertical would benefit most.

However, Transport Intelligence (Ti) analyst Shruti Sasidharan noted that the deal had come as companies were increasingly diversifying their supply chains amid all the geopolitical uncertainty, rising protectionism, and disruptions to global trade routes.

Sasidharan said: "Mexico is becoming more important as a manufacturing and export hub because of its strong industrial base and close proximity to the US market.

"Automotive, electronics, machinery, and industrial manufacturing are expected to benefit the most," with industrial products, pharmaceuticals, transport equipment, and agricultural goods expected to support higher trade flows.

"This could increase demand for ocean freight services between major European ports, such as Rotterdam, Antwerp-Bruges, Hamburg, and Valencia, and Mexican ports, including Veracruz and Manzanillo," she continued.

Cecilia Markez is Lognet Global's new managing director

WCAworld-powered forwarding network Lognet Global has appointed Cecilia Markez as its new managing director.

Following the announcement of Markez's appointment at the Lognet Global Conference in Panama City earlier this year, WCAworld chairman David Yokeum said her experience and industry knowledge made her an "excellent choice".

"She understands the challenges and opportunities facing independent freight forwarders today and brings a strong global perspective to the role," he added.

Boasting more than 20 years' experience, Markez moves into the role having served as WCAworld's vice president, Latin America, with experience working with members to support growth, collaboration and making use of the network's global resources.

Her appointment is seen as a reflection of Lognet Global's focus on strengthening its international presence, supporting, and maximising global growth opportunities.

"Having worked within WCAworld for many years and closely with members across Latin America, I understand the importance of strong relationships, trust and practical support within a network environment," Markez said.

"I look forward to helping Lognet Global continue to grow and deliver value to members around the world."

Starting out as a forwarder in her native Argentina, Markez moved to New Zealand before relocating to Bangkok where she began her career with WCAworld, and she spent 12 years leading the network's claims and financial protection programme.

This afforded her great experience and gaining an expertise in risk management, member services and network operations.

Bangladesh exporters plead for lower air cargo rates

BANGLADESHI shippers are urging Biman Bangladesh Airlines to lower its freight rates amid an existential crisis for the country's seasonal fruit and vegetable exporters, as the war in the Persian Gulf eats into their competitiveness.

Airfares from Dhaka have surged singe the onset of the conflict, with a Dhaka-Toronto routing having leapt from $3.40 per kilogram in January to $6 last month, while flights to Europe and the Middle East are hovering around $4.50 and $2.50, respectively.

Bangladesh Fruits, Vegetables & Allied Products Exporter Association general secretary Mohammad Monsur told Voice of the Independent: "Unless Biman Bangladesh Airlines lowers fares, seasonal fruit exports will be hampered, lowering export earnings.

"Airfreight shipment costs in neighbouring India and with other our competitors are lower than Bangladesh. With high airfares in Dhaka, our exporters are set to be left far behind the competitors."

Voice of the Independent
Contacts
Production & Design: Mandy Warren
mwarren@worldlogisticsmedia.com
Editorial Team: Editor
editorial@worldlogisticsmedia.com
UK Office
Talon House, 6 Blackthorne Road,
Colnbrook, Berks, SL3 0AL, UK
Phone: +44 7736 034153