



## GLOBAL APERTURE

The International Air Transport Association's (IATA) Global Outlook for Air Transportation reports that [global air cargo traffic is expected to grow 2.6%](#) in 2026, even as aircraft shortages and aging freighter fleets tighten capacity into the next decade. The association reports that severe order backlogs—now exceeding 17,000 aircraft—mean normalization is unlikely before the early 2030s, limiting conversion options and pushing utilization to its limits. Regionally, Asia Pacific and Europe are leading growth while North America and the Middle East are seeing declines tied to shifting trade patterns and post-Red Sea normalization.

The container shipping industry [is confronting a potential oversupply](#) as the orderbook reaches 11.6 million TEU, equal to nearly 35% of the existing fleet, following a record surge of new vessel orders placed in 2025, according to maritime analytics firm Linerlytica. Most of this capacity is being built at Chinese and South Korean shipyards, raising questions about whether future demand will keep pace. These new builds are scheduled for delivery through 2029.

The United Nations General Assembly adopted [the United Nations Convention on Negotiable Cargo Documents \(NCD Convention\)](#) on December 15, creating the first harmonized, technology-neutral legal framework for negotiable multimodal cargo documents in both paper and electronic form. In practical terms, it gives shippers and forwarders clear legal backing to use fully digital bills of lading and other negotiable documents across transport modes. The Convention is expected to accelerate digital trade, improve access to trade finance, and will formally move toward signature in mid-2026 before entering into force once ratified by ten member nations.

## REGIONAL FOCUS – AMERICAS

**Mexico:** Mexico's Senate approved new tariffs of up to 50% [on more than 1,400 products from countries without free trade agreements](#)—including China—with the measures set to take effect January 1, 2026. The decision, intended to support domestic production, has prompted concern from trading partners and comes as Mexico negotiates separate U.S. tariff threats on steel, aluminum, and broader bilateral trade.

According to Mexico's Civil Aviation Agency, Mexican airfreight volumes [declined through the first nine months of 2025](#) as tariffs, reduced ecommerce activity, and shifting automotive flows lowered cargo movements at most major airports. Next year's new import tariffs are expected to further pressure parcel and general cargo traffic, while recent US–Mexico slot disputes prompted the government to restore six slots at Mexico City International Airport to US carriers. According to the Secretariat for Infrastructure, Communications and Transport, freighter operators will remain at Felipe Ángeles Airport as authorities work to strengthen security, handling, and customs capacity.

**Venezuela:** According to KWE internal sources, international air service to Caracas has been sharply reduced after the U.S. Federal Aviation Administration issued a late-November security warning citing increased military activity and GPS interference in the Maiquetía Flight Information Region. Several major airlines suspended operations, leading the Venezuelan government to revoke their permits, and carriers are now routing flights to avoid the area entirely. As a result, airfreight to Caracas and connecting intermodal services will remain significantly constrained until conditions stabilize.

## REGIONAL FOCUS – ASIA-PACIFIC

**India:** Landside congestion at Nhava Sheva, India's busiest container gateway, is expected to ease after the government approved [a new 29-kilometer access corridor](#) connecting Jawaharlal Nehru Port Authority (JNPA) directly to the state highway network. Officials said the project, cleared in mid-December under the PM GatiShakti National Master Plan, aims to cut truck travel times that currently reach up to three hours during peak congestion. With container volumes at JNPA continuing to rise and new terminal capacity coming online next month, the upgraded road link is intended to support smoother cargo evacuation and maintain port efficiency.

**Bangladesh:** Bangladesh Railway reports a significant traction shortfall, with [nearly 90 of Bangladesh's 281 locomotives out of service](#) and freight train movements falling by almost over the past four years. Officials cite ageing locomotives and limited maintenance capacity as key factors, prompting freight customers to shift to road transport as rail availability declines. The government has invested heavily in rail infrastructure in recent years and announced plans in August to procure 30 new diesel locomotives, though this will only partially ease the broader shortage.

**Pakistan:** On December 12, Pakistan's goods transporters [ended a five-day nationwide strike](#) following talks with the Punjab government, restoring truck movements that had been halted since December 8 over new traffic penalties under the Motor Vehicle Ordinance 2025.

Authorities agreed to form a joint committee with transporter representatives to review the rules, easing disruptions that had stranded cargo nationwide and delayed import, export, and industrial supply chains.

## REGIONAL FOCUS – EUROPE, MIDDLE EAST & AFRICA

**Europe:** On December 15, the International Road Transport Union said in a policy paper that Europe's road transport decarbonization [is facing scaling challenges](#) due to grid constraints and unclear policy recognition of low-emission solutions. The group urged technology-neutral regulations that support electrification while also recognizing renewable fuels already cutting emissions, particularly for long-haul operations.



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