
Sydney
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8.0 FREIGHT DEVELOPMENT PLAN

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Key points

- Continued growth of freight is important to airlines and the economics of passenger services
  - Approximately 80% of freight at Sydney Airport is carried in passenger aircraft
  - Sydney Airport handles approximately 48% of all Australian international air freight – 76% more than any other Australian airport
- Air freight is a vital economic activity that contributes significantly to trade, the community and Sydney Airport
- On-airport freight facilities and services for quality and time-critical products are preserved under this Master Plan
- The existing freight precinct next to Terminal 1 (T1) is retained and provision is made for new facilities in close proximity to the expanded Terminal 2/Terminal3 (T2/T3) passenger terminals. The 2009 Master Plan proposed the expansion of T1 passenger facilities over the Link Road freight precinct requiring freight facilities to be relocated to the Northern Airport precinct or off-airport. In this Master Plan, expansion of passenger facilities north of T3 rather than north of T1 will allow the existing T1 freight precinct to remain as freight over the planning period
- Provision is made for logistics activities to be located in the South East Sectors and in the Northern Airport precinct, north of Airport Drive. The on-airport freight concept provides a framework that facilitates investment in modern and efficient facilities
- Sydney Airport will work with the freight community and airlines to increase the productivity and efficiency in the freight operations

The development plan delivers an improved position for freight services and facilities in and around Sydney Airport due to the preservation of the on-airport Terminal 1 (T1) freight precinct and provision for new facilities in the expanded Terminal 2/ Terminal 3 (T2/T3) precinct.

Importantly, the Terminal 1 (T1) freight precinct is preserved on the airport and on-airport provision is made for new facilities in close proximity to the expanded Terminal 2/Terminal 3 (T2/T3) terminal. This provides a framework that will encourage investment that in turn will increase productivity and improve services over time.

New facilities can be developed north and east of the expanded T2/T3 terminal to facilitate airside access to the various aircraft apron areas. This provides an opportunity for freight facilities to be provided in each of the terminal precincts in close proximity to airline passenger operations and meet the requirements for express freight.

Air freight is a vital economic activity that contributes significantly to global business and to the NSW and Australian economies. It is a critical component of the airline industry forming part of a value chain that includes airports, related trucking and logistics services, manufacturing and consumer operations as well as supporting industries.

Sydney Airport is the largest international and domestic air freight hub in Australia. Freight volumes are projected to

approximately double over the planning period to 2033. It is estimated that around 80% of this freight is carried in passenger aircraft, and is important to the economics of the passenger services. A substantial proportion of the dedicated freight activity takes place outside of the passenger peaks, providing a more even spread of freight activity across the day.

Reflecting Sydney Airport's substantial network of international passenger flights, Sydney Airport handles 48% of Australia's international air freight. This is 76% higher than any other Australian airport.

Under the development plan, areas for freight activity are retained in close proximity to the T1 and T2/T3 precincts, ensuring freight facilitation for both T1 and T2/T3 airlines. Efficient access to the airport is also provided for off-airport freight facilities.

- The expansion of passenger facilities to the north of T3 rather than the north of T1 will prolong the use of the existing T1 freight precinct for freight compared with the previous plans envisaged under the 2009 Master Plan
- Consistent with previous plans, an airport logistics precinct is proposed to the north of Airport Drive to accommodate additional or relocated freight facilities
- The development plan also makes an allowance in the airport's South East Sector to facilitate freight handling and transport facility, logistics and aviation support activities

This outcome delivers a longer-term opportunity to operate the on-airport freight facilities and facilitate ongoing improvements to efficiency and productivity through investments. Subject to Master Plan approval, the longer tenure and increased certainty can be reflected in commercial discussions with the freight industry.

Sydney Airport is committed to promoting efficient and productive on-airport handling of freight. It will achieve this by focusing on service and quality, which are critical to the development and growth of air freight, airlines and the airport.

Promoting rationalised and efficient landside and airside air freight traffic vehicle flows will also reduce overall airport traffic and improve customer service.

8.1 Freight development plan – principles and approach

The freight development plan is designed to encourage efficient processes and provision of quality products, through:

- Efficient, effective and productive operations of airside freight terminals
- A focus on quality and time critical products, supported by landside on- and off-airport terminals where required
- Minimisation and centralisation of landside access points where possible to reduce vehicle movements, thereby optimising customer service

- Locating freight handling terminals and airside logistics areas with good access to aircraft locations
- Segregating landside freight vehicle movements from landside terminal passenger movement areas where possible

The development plan leverages the existing T1 freight areas and ensures access for off-airport freight operators through a proposed common-use bypass facility.

Sydney Airport will work with airlines, cargo terminal operators (CTOs) and the freight community to increase the productivity and efficiency of freight operations. Specifically, Sydney Airport proposes to:

- Facilitate ground and terminal handling of air freight by CTOs over the forecast period
- Work with service providers to promote investment and increased productivity in air freight facilities
- Work with CTOs to deliver air cargo terminals and processes available for freight in the most efficient and productive manner
- Work with CTOs to improve ground transport movements and access

8.2 Background – air freight at Sydney Airport

The vast majority of air freight at Sydney Airport is transported in the cargo hold of scheduled passenger airline services. Supporting this flow of goods is vital to the efficiency of the airport, airlines, and continued customer service to suppliers and consumers. Air freight is also of economic importance to passenger services.

Exports from Australia are dominated by fresh, chilled or frozen perishables such as meat, seafood, fruit, vegetables, flowers, livestock and manufactured goods. International imports are typically high value manufactured products such as computers and car parts.

Mail is also an important segment of international freight. Express and parcel services form a growing component of the international and domestic air freight business.

Supporting productive, efficient and effective landside and airside logistics for service providers is important to the future growth of freight at Sydney Airport and the ability of service providers to deliver quality customer service.

8.3 Proposed location of freight facilities

The development plan provides for an ongoing freight presence on-airport over the planning period, including in both terminal precincts, the South East sectors and a planned freight handling and transport facility, logistics and aviation support facility zone located north of Airport Drive.

The development plan provides freight facilities on-airport in the vicinity of operational areas. The existing air freight precinct next to T1 will remain at its current location near Link Road. Landside manoeuvring areas for the freight facilities is optimised by segregating it from the passenger facilitation traffic. The area will also contain a proposed new common user bypass facility to facilitate off-airport operations.

Other freight handling facilities supporting quality and time critical products with airside and landside interface are planned to be located adjacent to the T3 development as well an existing site east of the planned T2 Pier C development.

An airside corridor will also be provided that links the two integrated terminal precincts. This corridor will provide an efficient and reliable connection for vehicles, including freight, that need to access aprons in both precincts. The airside corridor also provides an opportunity for CTOs to develop centralised freight facilities which will be able to service both precincts.

Balancing activity more evenly throughout the airfield, terminals and roads will reduce congestion and improve the terminal and apron infrastructure utilisation. The peak hour balance is expected to improve aircraft movements from an 80:20 split between T2/T3 and T1 at present to a 66:34 split between T2/T3 and T1 by 2033. Balancing of the aircraft movements and development of aprons with dual taxilanes provides for an overall safer and improved operation for aircraft and for ground services equipment.

The area north of Airport Drive is planned to be established as an airport freight handling and transport facility, logistics and aviation support zone to support airport freight operations and support facilities providing a direct landside and airside vehicular access. The terminal development plans in the development plan, and extensive consultation with the airlines and CTOs, has ensured that the development plan can accommodate additional on-airport logistics zones.