

War increases Israel's demand for imports

DHL dispatches daily freighter flight to Tel Aviv

Wednesday, October 25, 2023



Global Crossing Airlines has delivered two planeloads of medical supplies from Florida to Israel. The Airbus A321 freighters are typically used for shorter, regional routes. (Photo: Global X)

Israel will need to import more goods because the war effort makes domestic production more difficult and DHL Group has already responded by organizing a new daily freighter operation, according to logistics professionals who briefed members of the media on Tuesday.

DHL Group, the second-largest global logistics provider with headquarters in Bonn, Germany, and Chicago-based Seko Logistics are already responding to strong interest from businesses to ship to Israel, executives said.

The call-up of tens of thousands of army reservists will limit Israel's economic output and ability to support itself, driving a need for imported goods and related logistics support, Brian Bourke, global chief commercial officer at Seko Logistics, told reporters on a conference call. Seko has 65 employees in the country.

The departure of Israeli citizens from their regular jobs to join the Israel Defense Forces "has impacts on supply chains because factories are not going to be producing as much, distribution centers aren't going to be moving goods as much," said Bourke. "And so Israel as a country is going to be needing to import a lot more than they were before. And traditionally they import quite a bit."

Israel is a big market for sectors like high-tech, although much of the trade flow in technology is outbound. In 2022, Israel imported \$107.7 billion worth of merchandise from the world, led by raw materials and consumer goods, according to the U.S. International Trade Administration.

The Israeli government last week exempted many high-priority imported products from inspections and document requirements to ease their entry into the country, [according to Reuters](#).

The Port of Ashdod is currently closed, but the northern Port of Haifa and Tel Aviv Airport are open and operating close to normal.

DHL Global Forwarding this week introduced a dedicated freighter operation out of Liege Airport in Belgium to Tel Aviv, said CEO Tim Robertson on a separate call. The company's international freight arm has chartered a Boeing 767 from a cargo airline for the daily service, a spokesman elaborated.

The flights are in addition to regular flights in the DHL Express package network. As previously reported, [DHL Express is operating once or twice a day](#) from its hub in Leipzig, Germany, to Tel Aviv with Boeing 757 cargo jets, according to flight tracking sites.

Operating in a conflict zone is challenging for commercial transportation providers. Many international passenger and cargo airlines have suspended flights to Tel Aviv until hostilities subside. Aviation experts say there is a risk that an aircraft could be accidentally struck by a missile fired by Hamas in Gaza or Iran-backed forces in southern Lebanon or by Israel's antimissile defense system. Interference with GPS signals also could cause aircraft to move off their intended flight paths and into more dangerous skies. [Israeli authorities counter that their mitigation measures make it safe to fly into Tel Aviv.](#)

DHL rival FedEx quietly resumed flights to Tel Aviv from Athens, Greece, last week with its own purple-tail aircraft after initially suspending service. Other freighter operators serving Tel Aviv include MNG Airlines (Turkey), SkyTaxi (Poland), Silk Way West Airlines (Azerbaijan) and Israel's own Challenge Group, with a fleet of Boeing 747 and 767 jets.

Global Crossing Airlines, a small Miami-based startup with three Airbus A321 converted freighters, has made two trips to Tel Aviv with more than 50 tons of medical and first-responder equipment. The planes aren't designed for long-haul flights so the airline has to take the long way north into Europe, with several fuel stops along the way.

The flights were arranged under the auspices of the Florida Division of Emergency Management (FDEM) as part of Gov. Ron DeSantis' self-declared Israel rescue mission. Hospitals and government agencies in Israel requested the aid and FDEM collected donations of bandages, hospital gowns, IV kits, needles, syringes, ventilators and comfort items for children — enough to fill 85 pallets — from Florida hospitals, local communities and

the Agency for HealthCare Administration, the governor's office said in [a news release Tuesday](#).

DeSantis, who is running for the Republican nomination for president and a frequent critic of the Biden administration, issued an executive order on Oct. 12 to help repatriate Floridians and other Americans, and provide aid to Israel, because he said the U.S. government had failed to launch any evacuation effort. The Biden administration launched air and cruise ship charter services on Oct. 13 but is winding down the effort because of limited demand, [Politico reported](#).

Robertson said DHL will lease the charter aircraft for about two weeks and then determine whether to continue flights based on demand.

"We're very well positioned to support our customers in and out of Israel," he said.

DHL executives were forceful in their backing of Israel. "We strongly condemn the recent attacks on Israel. We're doing all possible to support that market here," Robertson said.

"We'll never abandon Israel. Our plan to stay there is unequivocal," said Mike Parra, CEO for the Americas at DHL Express.

Bourke said Seko Logistics has secured a temporary warehouse in Haifa to handle an expected influx of supplies.

Seko is also mobilizing significant amounts of humanitarian aid to Israel, especially medical equipment, and looks forward to soon being able to help nongovernmental organizations get relief supplies to Palestinians in Gaza and the West Bank, when conditions are safe, he added.