

# DHL Global, Ethiopian Airlines maximise growth through joint venture

DHL Global Forwarding and Ethiopian Airlines have signed a new agreement to form DHL-Ethiopian Airlines Logistics Services Ltd, a cargo logistics provider joint venture company in Africa. The company will be based in Ethiopia and do business in the entire continent of Africa, enhancing Ethiopia's logistics infrastructure and connections.



Image Supplied.

Ethiopian Airlines, which assumes a majority stake will provide regulatory and operational support as DHL Global establish air, ocean, and road freight connections between Ethiopia's main trade hubs and the rest of the world. Pramod Bagalwadi has been appointed to lead the new organisation. He currently leads the industrial projects team for DHL in sub-Saharan Africa and a strategic business partner for the company in the region.

"With its GDP growth, Africa is stepping into the spotlight as a production hub. Recent moves to open up the economy will continue to boost Ethiopia's position as the fastest-growing economy in Africa, and under Pramod's leadership, the company will be able to provide a scalable and durable logistics infrastructure to safely handle the sensitive needs of its core industries", said Amadou Diallo, CEO, DHL Middle East and Africa.

"Logistics is a key to support Africa's fast economic growth and industrialisation drive. Ethiopian has, therefore, partnered with DHL who has a proven expertise and experience in the logistics sector, with a view to avail the right logistics solutions in terms of cost, time and quality. We have had a longstanding and mutually rewarding partnership with DHL, and with this joint venture, we aim to make the country a logistics hub for Africa," said Tewolde GebreMariam, CEO, Ethiopian Airlines Group.

## An increase in freight capacity

The joint venture is another step in an extended partnership between DHL Global Forwarding and Ethiopian Airlines. Since 2010, DHL has been supporting the maintenance, repair, and overhaul (MRO) operations of Ethiopian Airlines' commercial segment, extending various solutions on end-to-end logistics services for aircraft parts, engines and mechanical modules to textile, utensils, food and beverages – via air and ocean freight between Europe and Asia.

The joint venture will provide much-needed freight capacity and logistics infrastructure to Africa, where soaring economic growth has rapidly driven up demand for international forwarding and handling services.

For more, visit: <https://www.bizcommunity.com>