



ICAO | UNITING AVIATION

Economic Impact of COVID-19 on Civil Aviation

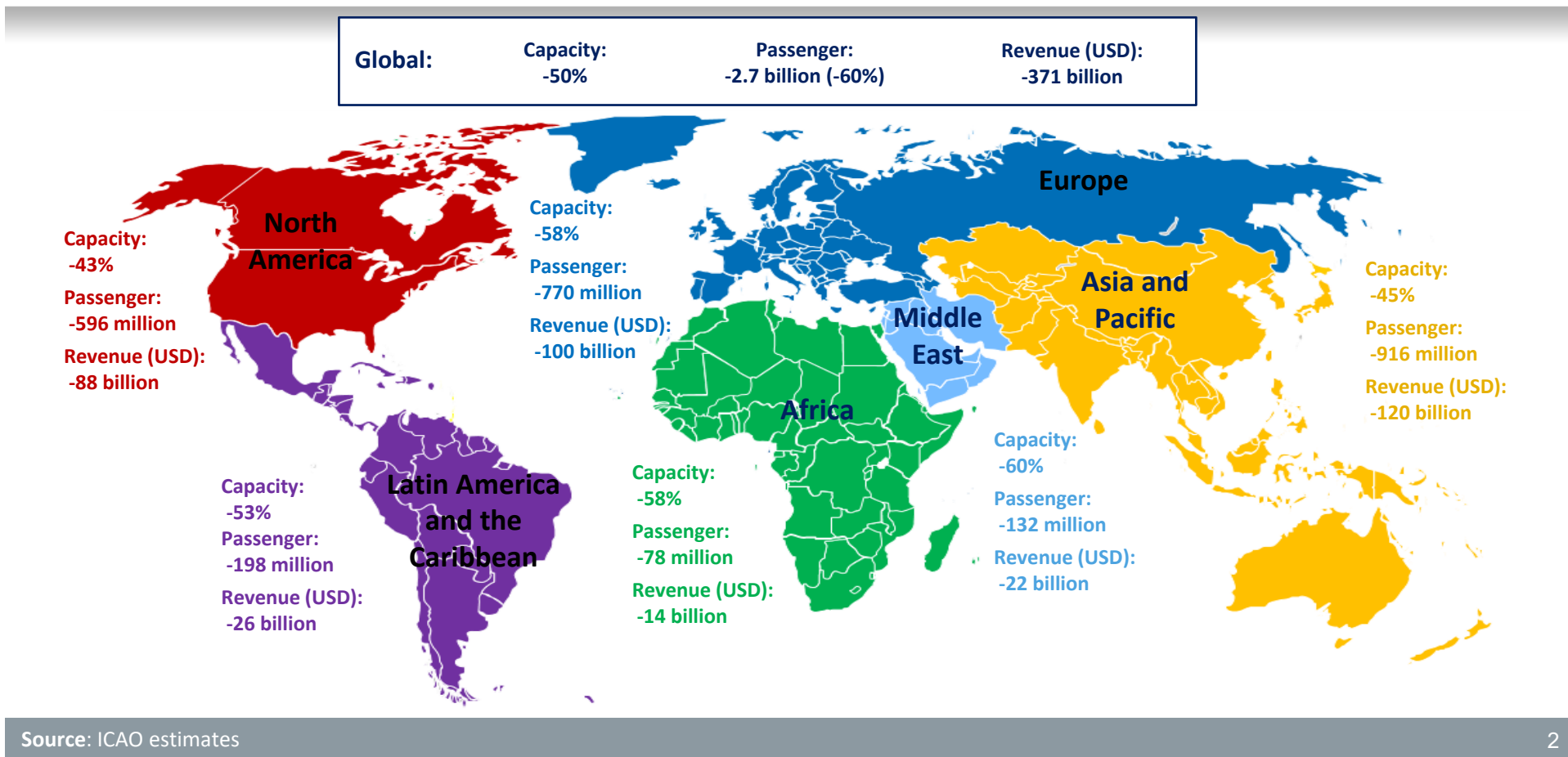
Sijia Chen

*Air Transport Officer, Economic Development
ICAO*





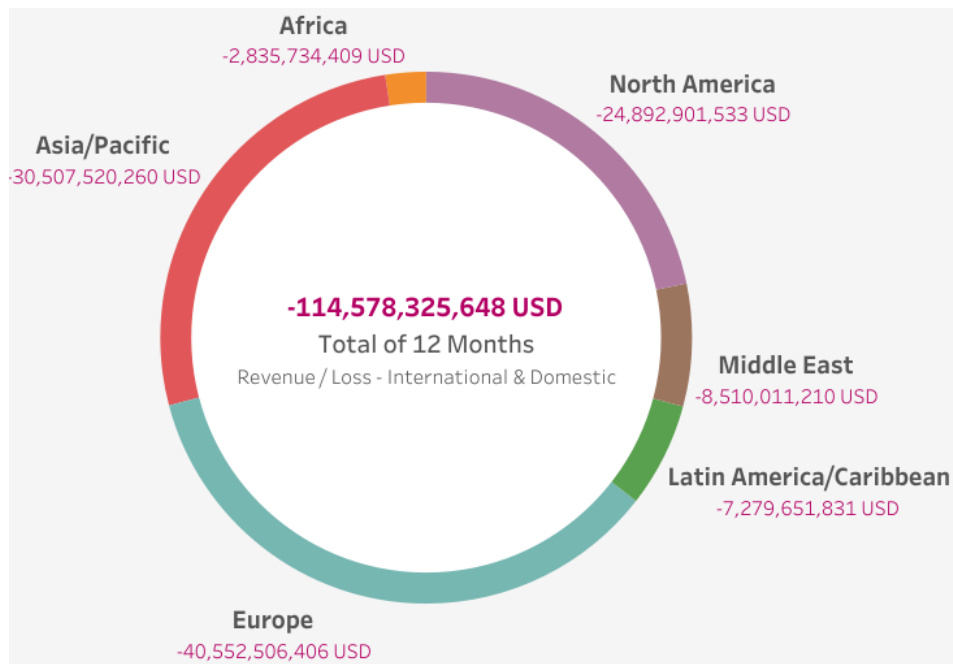
Passenger traffic and revenues by region in 2020



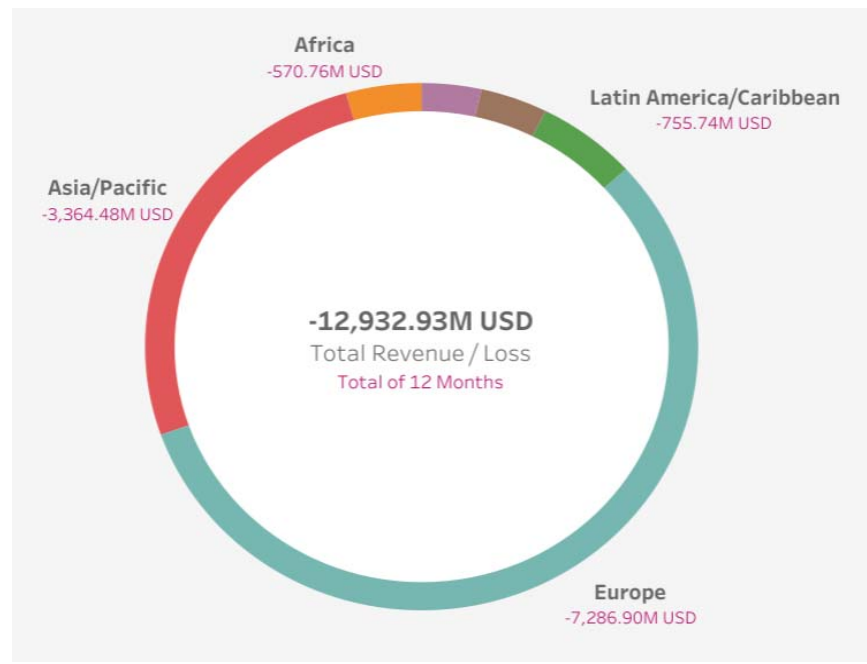


Airport and ANSP revenues were also severely impacted

Airport revenue loss



ANSP revenue loss

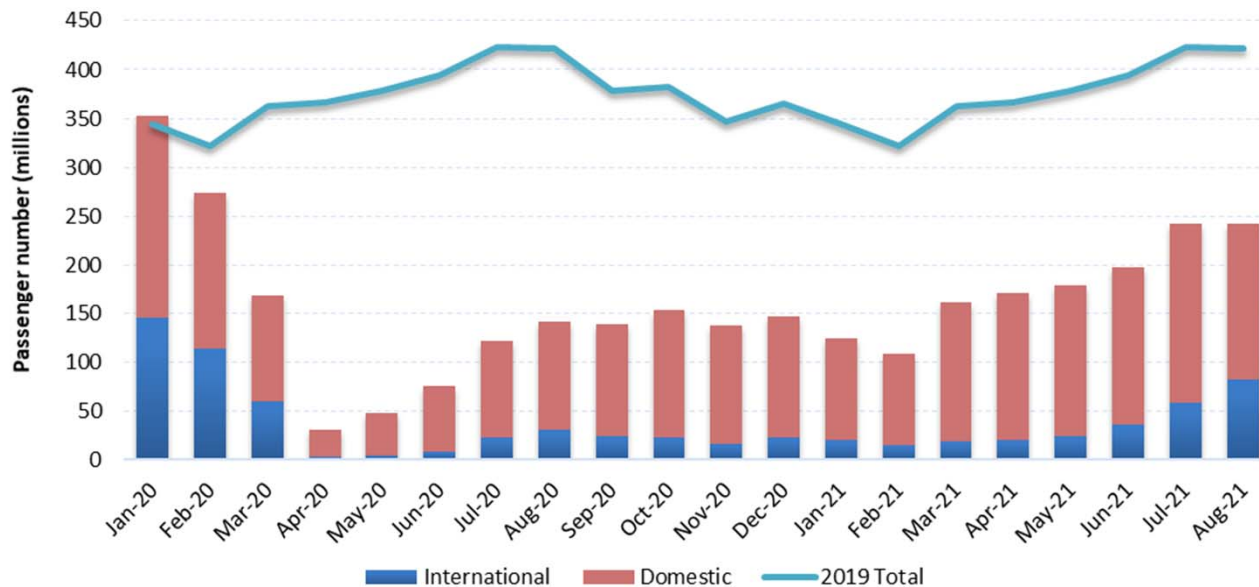


Source: ICAO air traffic dashboards (compared to 2019)



Moderate recovery in domestic travel while international travel remained stagnant

Monthly passenger numbers in 2020 and 2021 vs. 2019

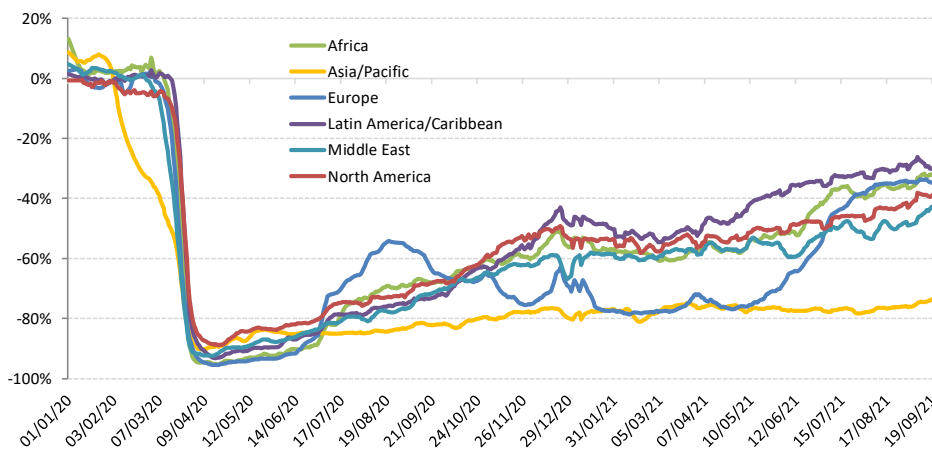




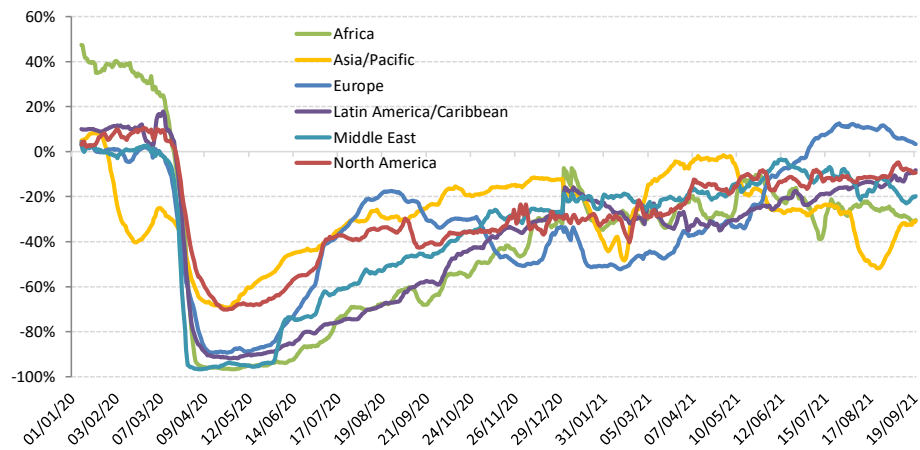
Domestic passenger traffic often exhibits more resilience than international

Asia/Pacific and North America have experienced 20% to 25% less decline in domestic passenger traffic than international

International seat capacity reduction
(7-day average, YoY compared to 2019)



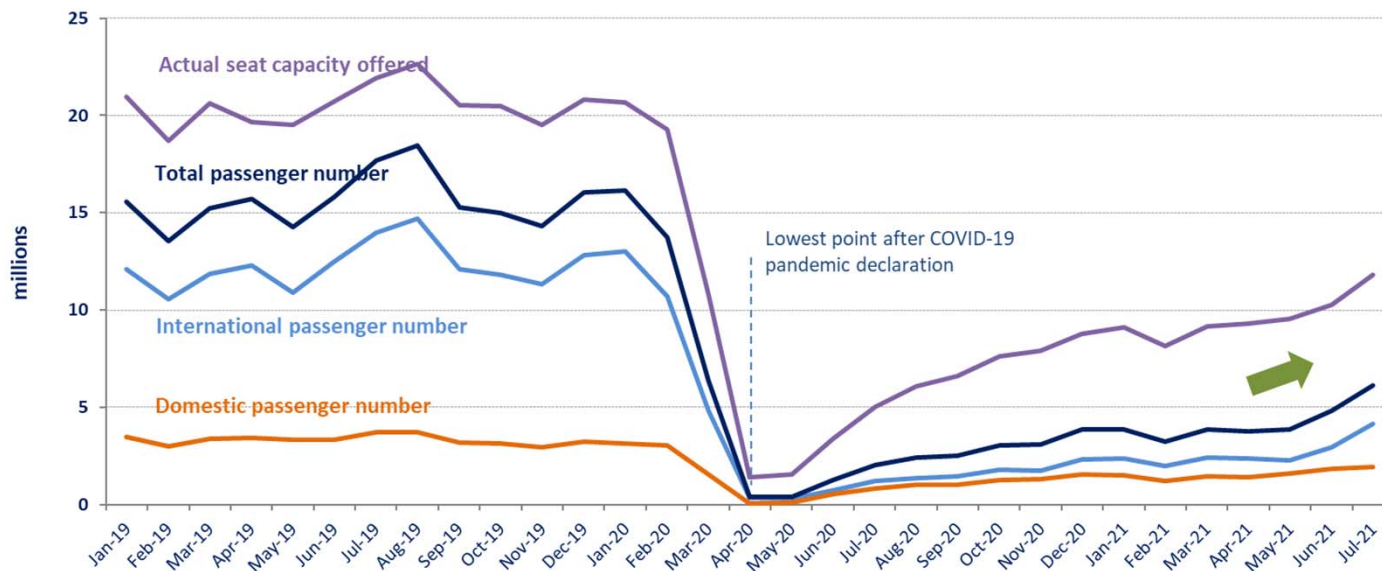
Domestic seat capacity reduction
(7-day average, YoY compared to 2019)





Significant decline in traffic with marginal improvements

Evolution of traffic – Middle East



- Passengers numbers in April 2020 fell 97%.
- Over 70% decline in passenger numbers from 187 million in 2019 to 55 million in 2020.
- International passengers declined by 73%.



- Forward Looking Scenario Analysis -

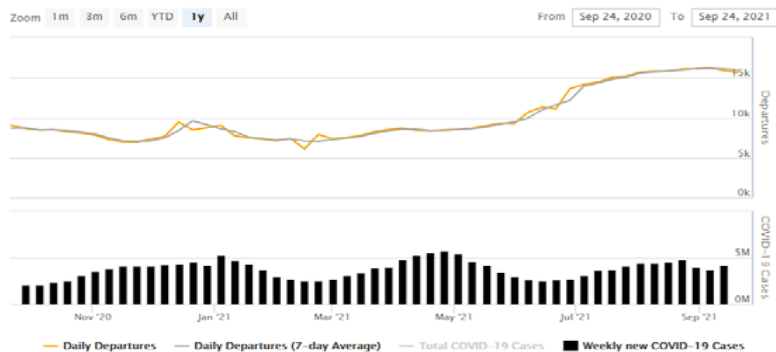
Figures and estimates herein are subject to substantial changes, and will be updated with the situation evolving and more information available.



Change of air traffic with COVID-19 situation

Air Traffic and New COVID-19 Cases

Global



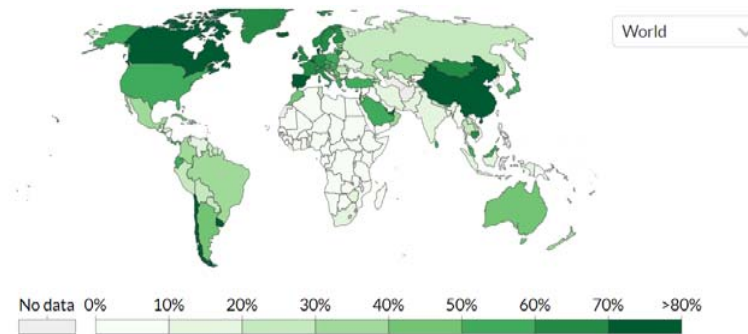
Europe and North Atlantic



Middle East



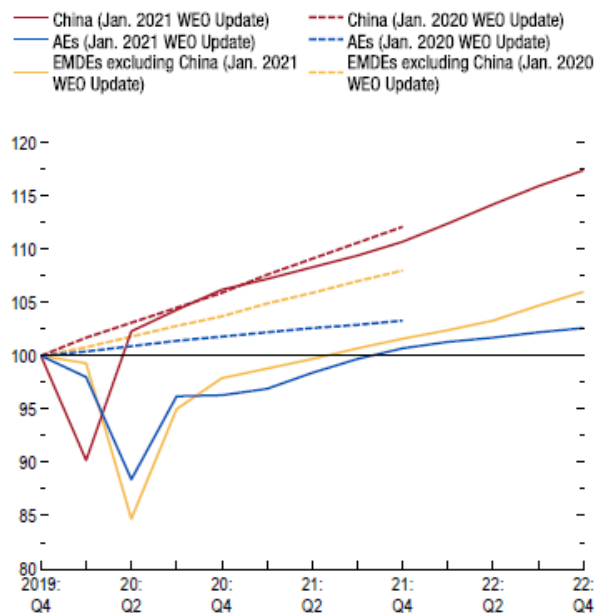
Share of the population fully vaccinated against





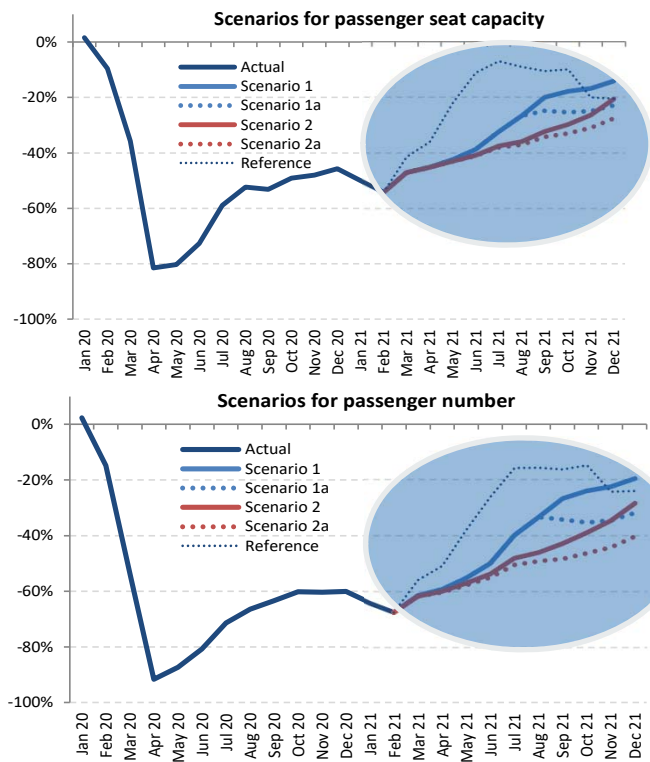
Year 2021 outlook: Due to uncertainty, consider 4 different paths

World's GDP Projections (by IMF)



Source: IMF staff estimates.
Note: AEs = advanced economies; EMDEs = emerging market and developing economies; WEO = World Economic Outlook.

ICAO Scenario Analysis





Year 2020 results and 2021 outlook: World total passenger traffic

The COVID-19 impact on world scheduled passenger traffic for year 2020 (estimated actual results), compared to 2019 levels:

- Overall reduction of **50% of seats offered by airlines**
- Overall reduction of **2,699 million passengers (-60%)**
- Approx. **USD 371 billion loss** of gross passenger operating revenues of airlines

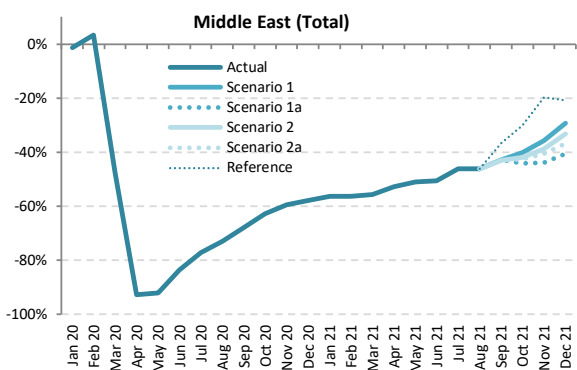
The COVID-19 impact on world scheduled passenger traffic for year 2021 (preliminary estimates), compared to 2019 levels:

- Overall reduction of **39% to 40% of seats offered by airlines**
- Overall reduction of **2,125 to 2,203 million passengers (-47% to -49%)**
- Approx. **USD 313 to 324 billion loss** of gross passenger operating revenues of airlines

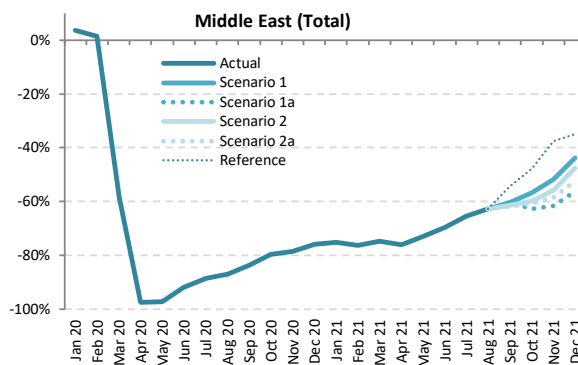


Year 2021 outlook: Middle East

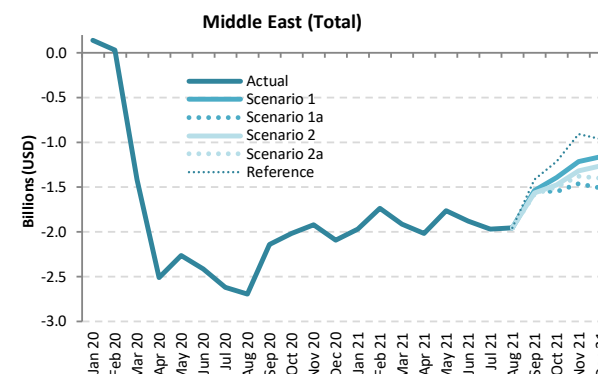
Seat capacity



Passenger number



Passenger revenue



Compared to 2019	Seat capacity (%)			Passenger number (thousand)						Passenger revenue (USD, million)		
	Total	International	Domestic	Total	International		Domestic		Total	International	Domestic	
1Q 2020	-15.8%	-14.8%	-19.1%	-8,127	-18.3%	-5,982	-17.3%	-2,145	-21.7%	-1,243	-1,040	-203
2Q 2020	-89.4%	-89.7%	-88.2%	-43,712	-95.5%	-34,279	-96.1%	-9,433	-93.1%	-7,184	-6,292	-891
3Q 2020	-72.8%	-77.9%	-53.7%	-44,477	-86.5%	-36,766	-90.1%	-7,711	-72.7%	-7,451	-6,722	-729
4Q 2020	-60.0%	-67.8%	-30.7%	-35,348	-78.0%	-30,093	-83.7%	-5,254	-56.1%	-6,023	-5,526	-497
Total 2020	-59.7%	-62.9%	-48.0%	-131,664	-70.4%	-107,121	-72.9%	-24,543	-61.4%	-21,901	-19,581	-2,319
1Q 2021	-56.1%	-63.4%	-31.0%	-33,430	-75.3%	-27,727	-80.4%	-5,703	-57.7%	-5,619	-5,080	-539
2Q 2021	-51.4%	-60.3%	-20.2%	-33,349	-72.8%	-28,068	-78.7%	-5,280	-52.1%	-5,657	-5,158	-499
3Q 2021	-45.1% to -45.1%	-51.2% to -51.1%	-22.3% to -22.3%	-32,599 to -32,355	-63.4% to -62.9%	-27,562 to -27,380	-67.5% to -67.1%	-5,037 to -4,975	-47.5% to -46.9%	-5,492 to -5,452	-5,016 to -4,982	-476 to -470
4Q 2021	-42.8% to -35.0%	-44.8% to -35.9%	-35.3% to -31.7%	-27,265 to -22,920	-60.1% to -50.6%	-22,171 to -18,458	-61.7% to -51.3%	-5,094 to -4,462	-54.4% to -47.6%	-4,517 to -3,765	-4,036 to -3,343	-481 to -422
Total 2021	-48.8% to -46.8%	-54.7% to -52.5%	-27.1% to -26.2%	-126,398 to -122,053	-67.6% to -65.3%	-105,345 to -101,633	-71.7% to -69.2%	-21,053 to -20,420	-52.6% to -51.1%	-21,245 to -20,492	-19,255 to -18,562	-1,990 to -1,930



Economic Impact Analysis of COVID-19:

<https://www.icao.int/sustainability/Pages/Economic-Impacts-of-COVID-19.aspx>



COVID-19 Air Traffic Dashboards:

<https://www.icao.int/sustainability/Pages/COVID-19-Air-Traffic-Dashboard.aspx>





ICAO | UNITING AVIATION



ICAO

North American
Central American
and Caribbean
(NACC) Office
Mexico City

South American
(SAM) Office
Lima

ICAO
Headquarters
Montréal

Western and
Central African
(WACAF) Office
Dakar

European and
North Atlantic
(EUR/NAT) Office
Paris

Middle East
(MID) Office
Cairo

Eastern and
Southern African
(ESAF) Office
Nairobi

Asia and Pacific
(APAC) Sub-office
Beijing

Asia and Pacific
(APAC) Office
Bangkok



THANK YOU