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Economic Impact of COVID-19 on Civil Aviation

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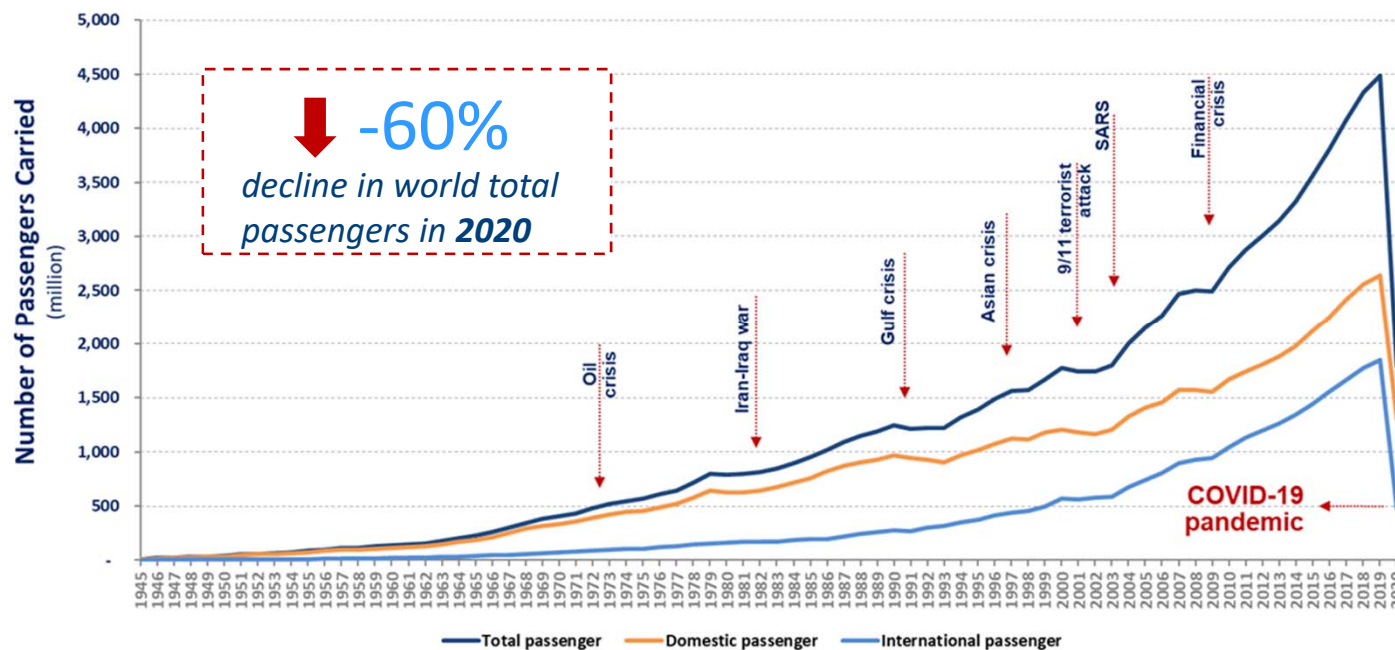
Economic Impact - Global Overview 2020

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



World passenger traffic collapses with unprecedented decline in history

World passenger traffic evolution 1945 – 2020

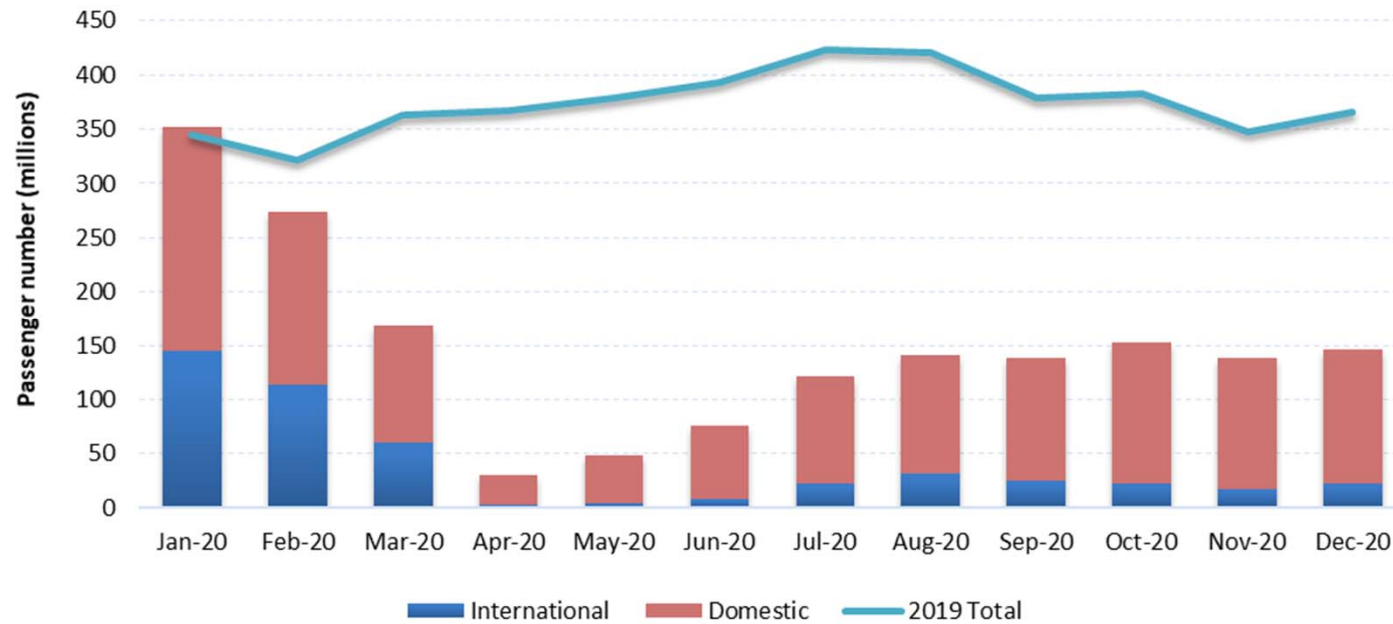


Source: ICAO Air Transport Reporting Form A and A-S plus ICAO estimates.



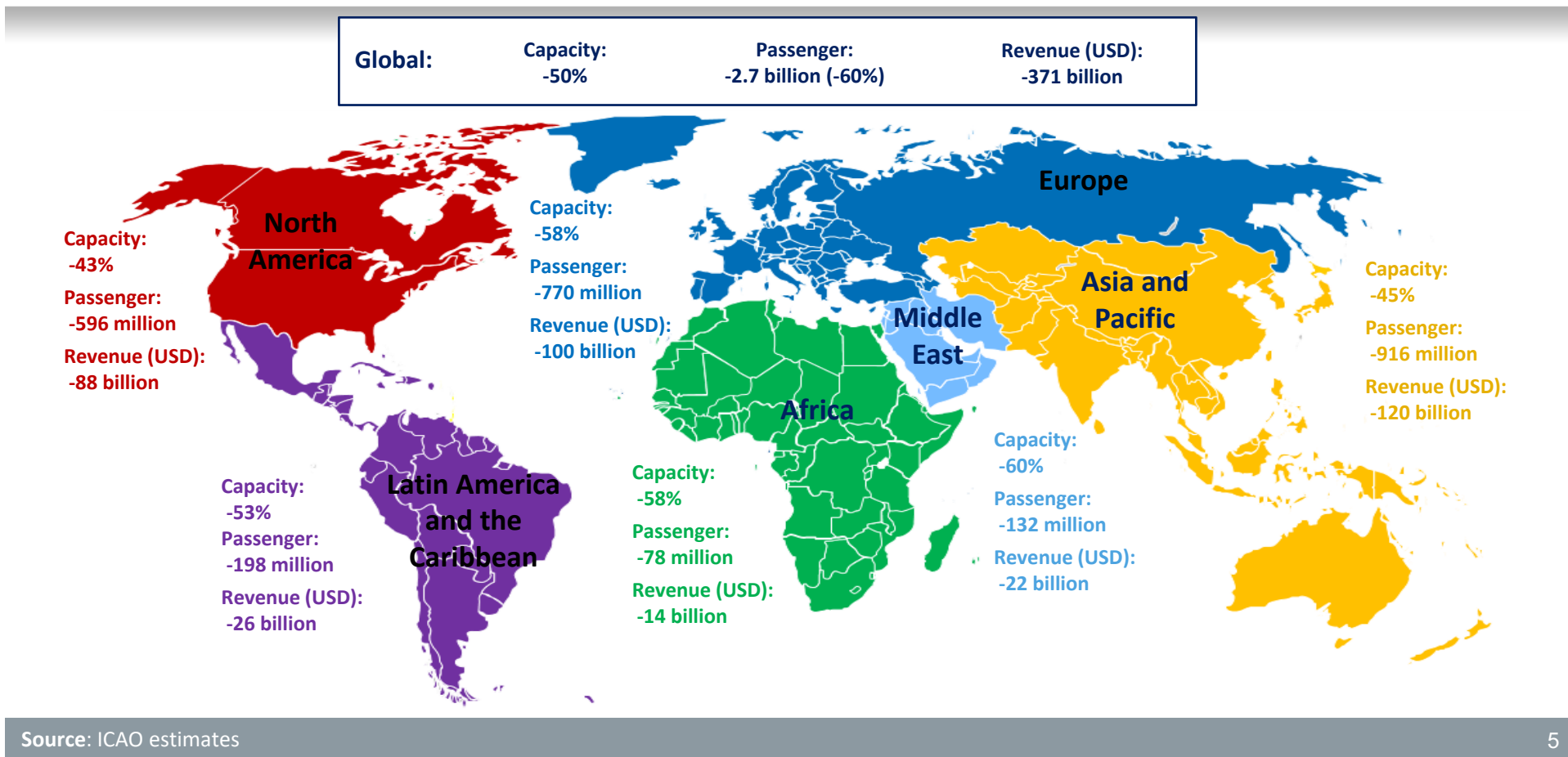
Moderate recovery in domestic travel while international travel remained stagnant

Monthly passenger numbers in 2020 vs. 2019





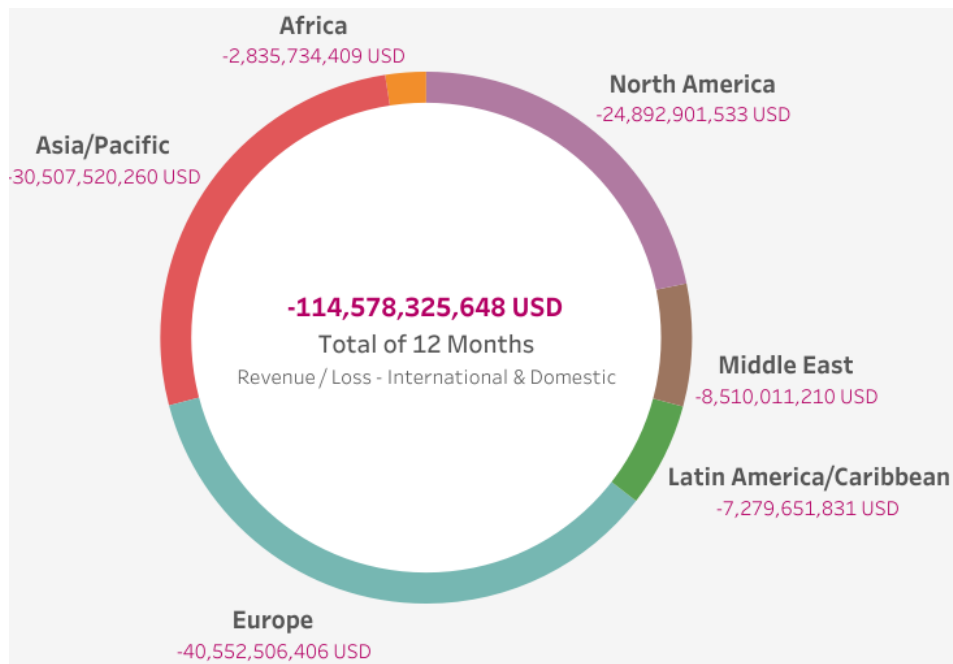
Passenger traffic and revenues by region in 2020



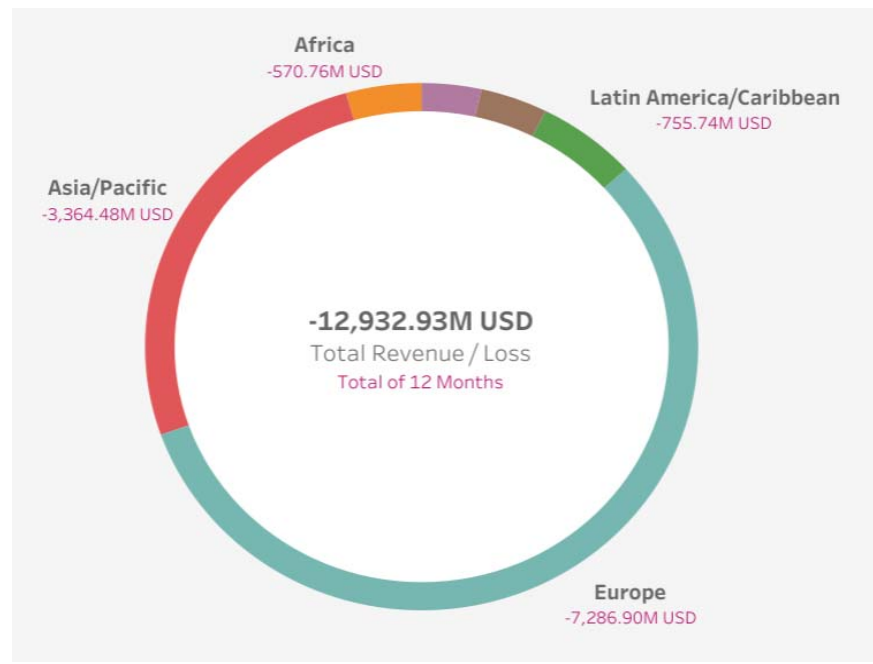


Airport and ANSP revenues were also severely impacted

Airport revenue loss



ANSP revenue loss



Source: ICAO air traffic dashboards (compared to 2019)



Economic Impact - Middle East 2020

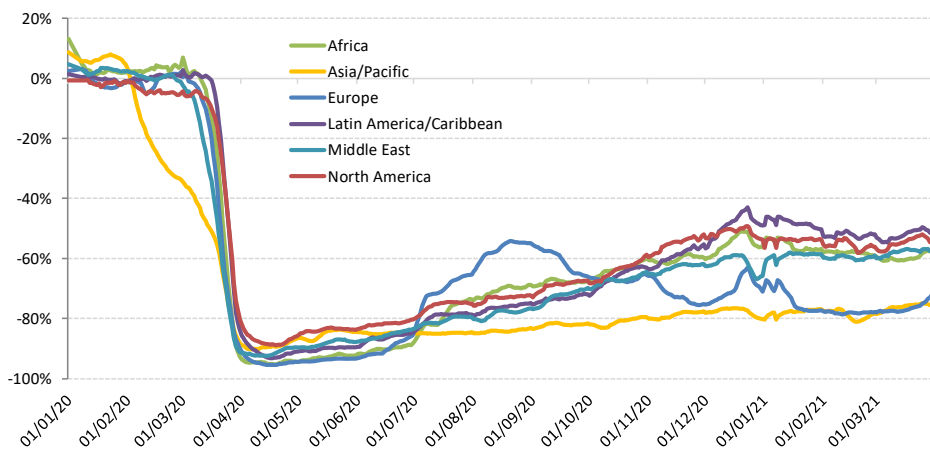
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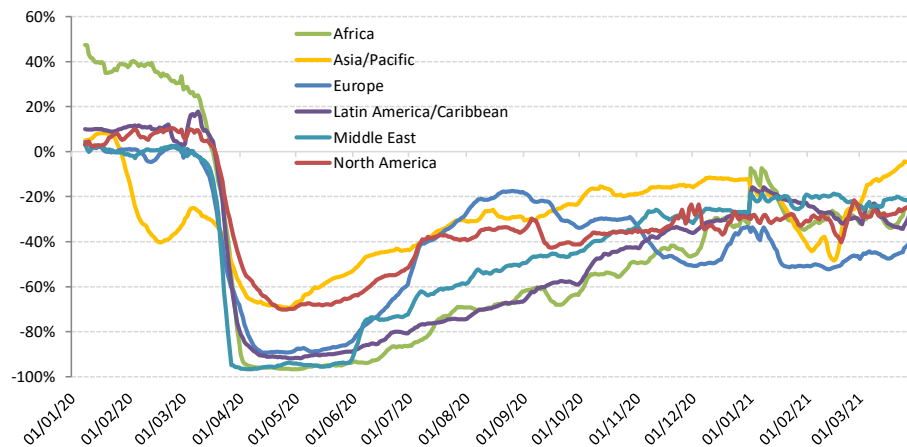
Domestic passenger traffic often exhibits more resilience than international

Wide disparity in recovery path among regions; overall faster rebound in domestic passenger traffic than international

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



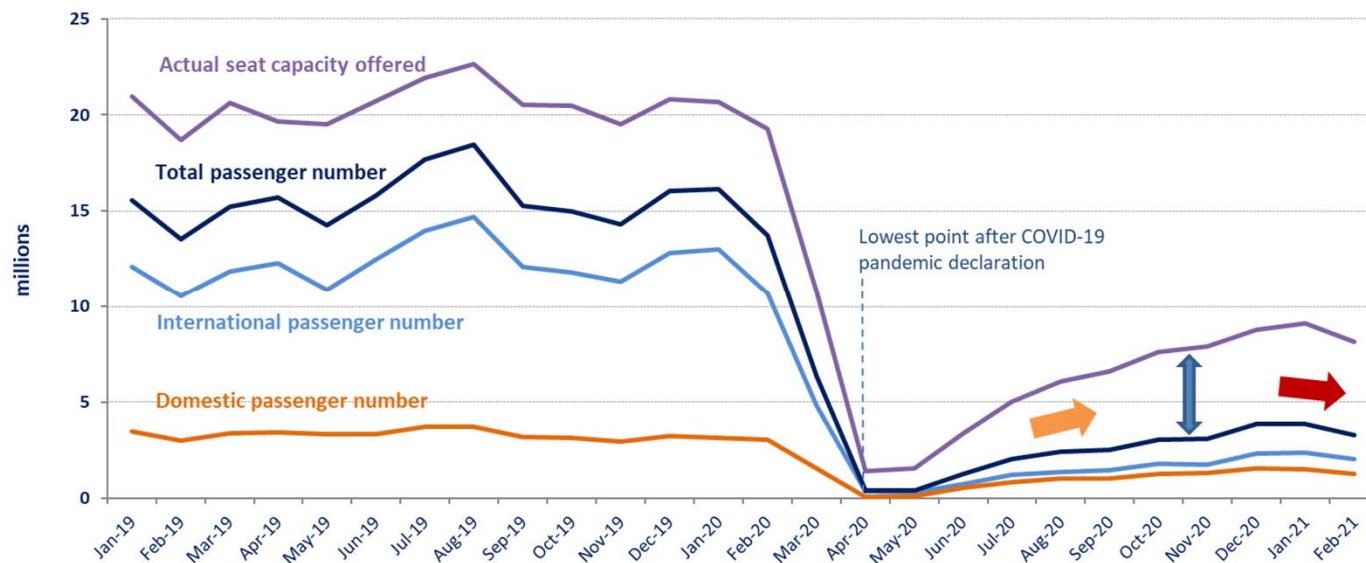
Domestic seat capacity reduction
(7-day average, YoY compared to 2019)





Significant decline in traffic with marginal improvements

Evolution of traffic in 2020

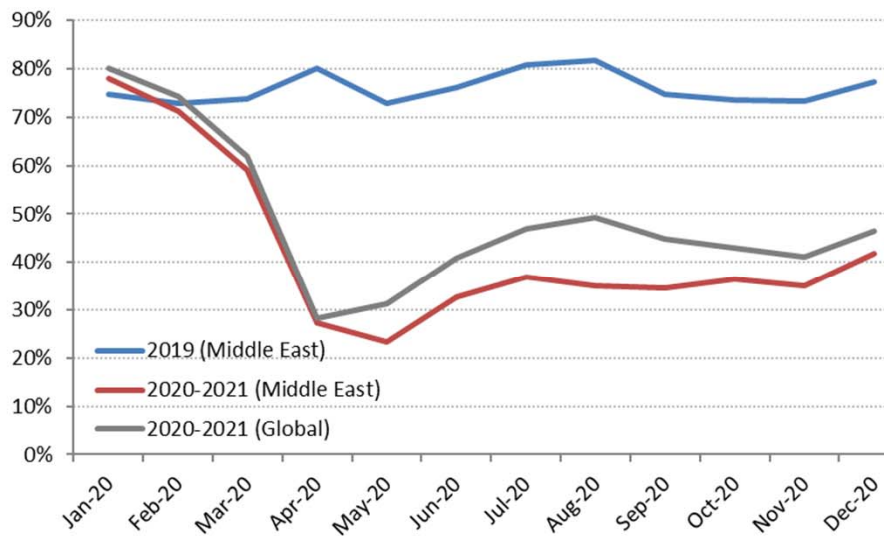


- Passengers numbers in April 2020 fell 97%.
- Over 70% decline in passenger numbers from 187 million in 2019 to 55 million in 2020.
- International passengers declined by 73%.

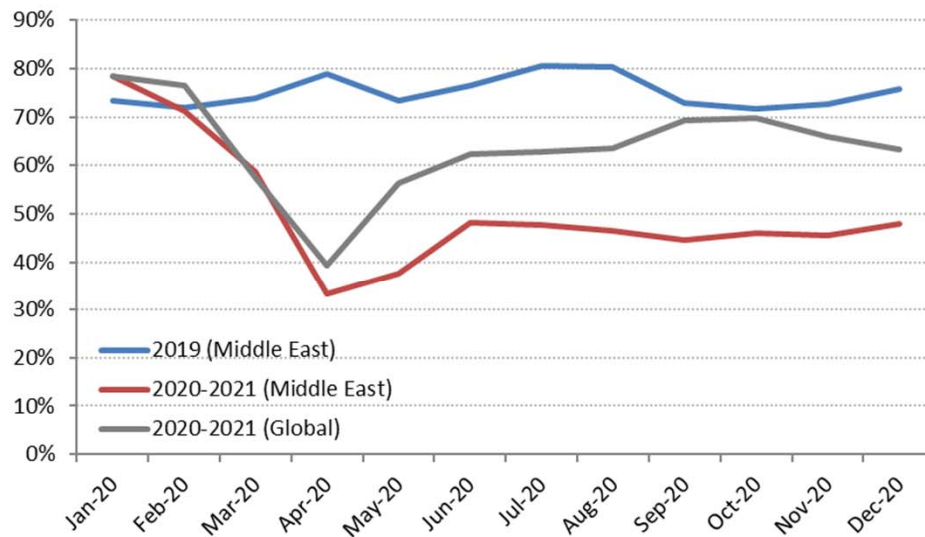


Load factor fell below industry average level

International load factor 2020 vs. 2019



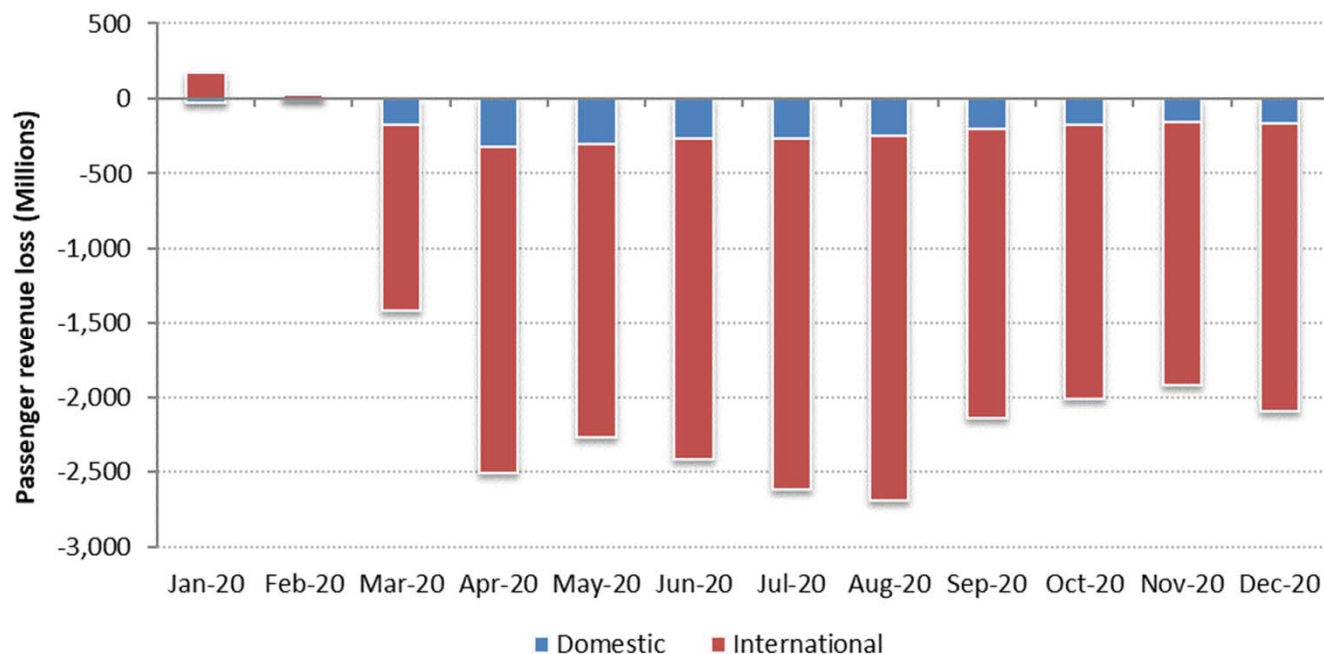
Domestic load factor 2020 vs. 2019





Passenger revenue loss by month Middle East

Loss in airline passenger revenues by month in 2020



- Middle East region recorded a total airline passenger revenue loss of around USD 22 billion in 2020
- 90% of the losses were attributed to international



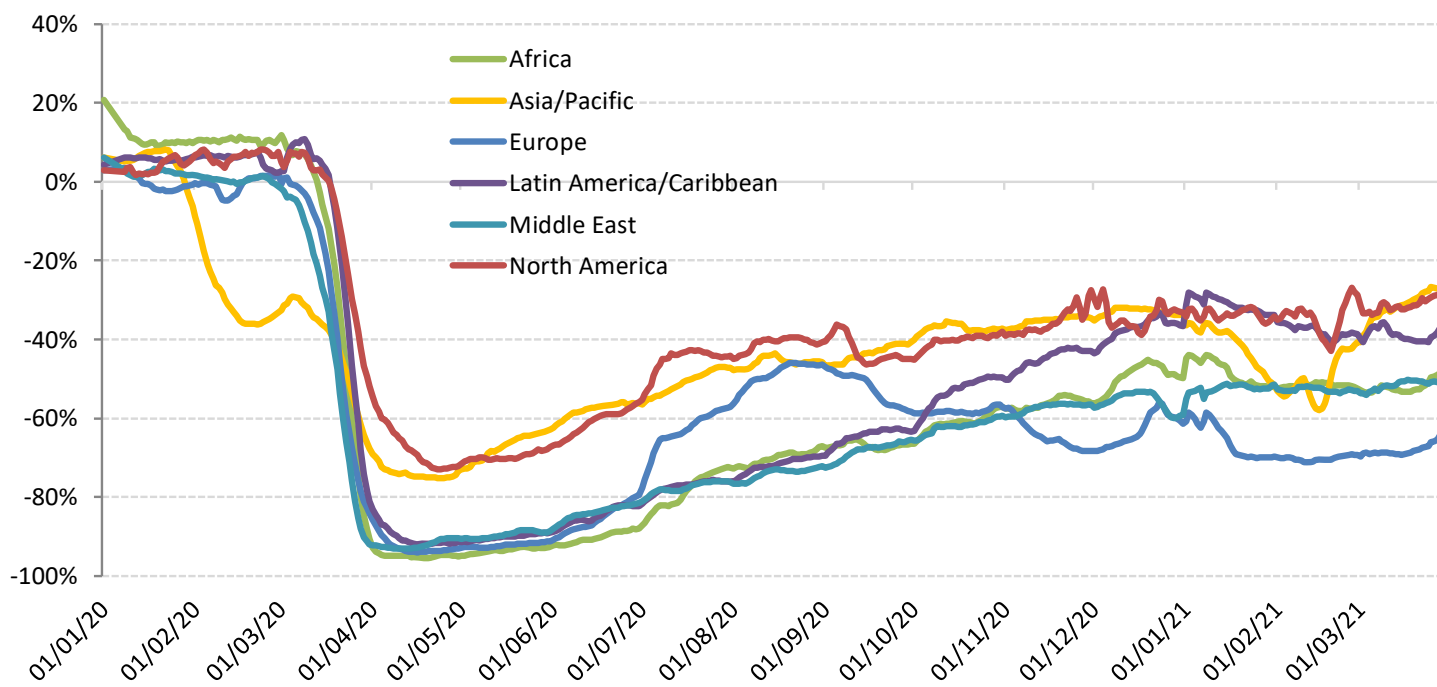
- Forward Looking Scenario Analysis -

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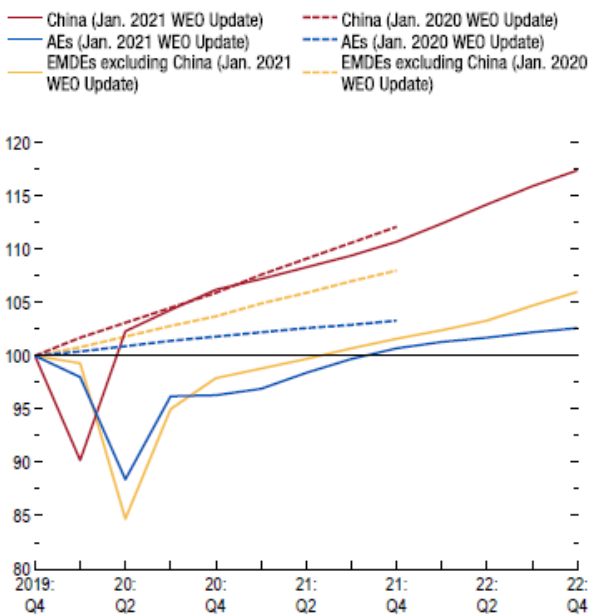
Regional difference in resilience and speed of recovery

Comparison of total seat capacity by region (7-day average, YoY compared to 2019)



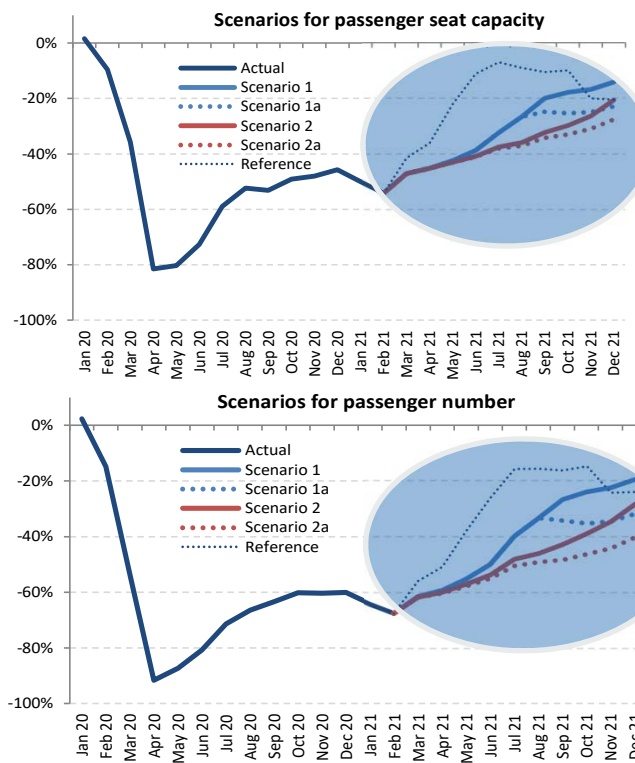


World's GDP Projections (by IMF)



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

ICAO Scenario Analysis





Year 2021 outlook: World total passenger traffic

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

- Overall reduction of **31% to 38% of seats offered by airlines**
- Overall reduction of **1,823 to 2,304 million passengers (-41% to -51%)**
- Approx. **USD 266 to 332 billion loss** of gross passenger operating revenues of airlines

International passenger traffic

- Overall reduction of **51% to 62% of seats offered by airlines**
- Overall reduction of **1,119 to 1,375 million passengers (-61% to -74%)**
- Approx. **USD 201 to 247 billion loss** of gross operating revenues of airlines

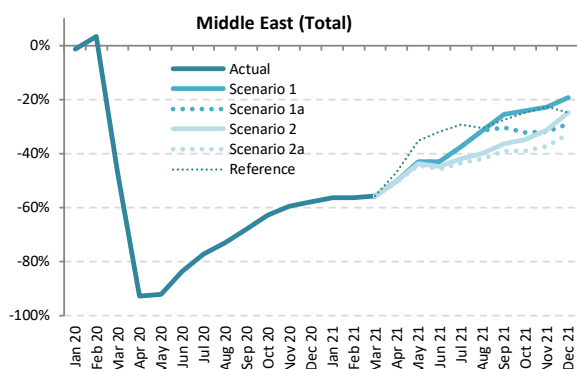
Domestic passenger traffic

- Overall reduction of **16% to 20% of seats offered by airlines**
- Overall reduction of **704 to 928 million passengers (-27% to -35%)**
- Approx. **USD 64 to 85 billion loss** of gross operating revenues of airlines

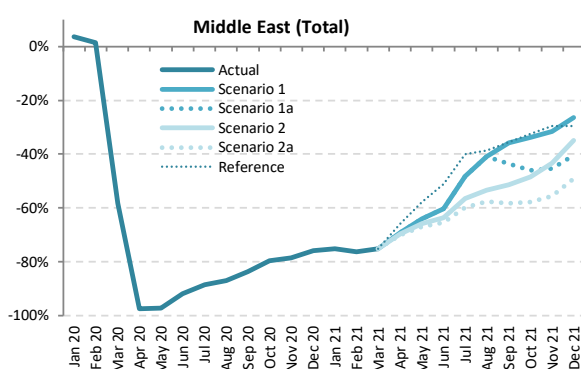


Year 2021 outlook: Middle East

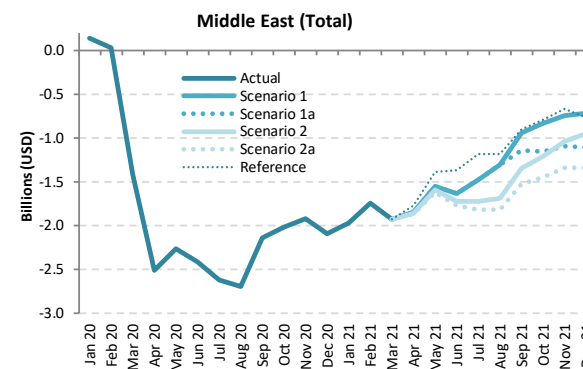
Seat capacity



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%	-33,508	-75.5%	-27,881	-80.8%	-5,627	-56.9%	-5,639	-5,107	-532
2Q 2021	-46.8% to -45.4%	-53.9% to -52.3%	-21.9% to -21.4%	-30,890 to -29,520	-67.5% to -64.5%	-26,213 to -25,223	-73.5% to -70.7%	-4,677 to -4,298	-46.2% to -42.4%	-5,250 to -5,030	-4,808 to -4,624	-442 to -406
3Q 2021	-41.5% to -31.6%	-47.8% to -36.7%	-17.9% to -12.5%	-30,112 to -21,543	-58.6% to -41.9%	-26,174 to -19,215	-64.1% to -47.1%	-3,937 to -2,328	-37.1% to -21.9%	-5,159 to -3,716	-4,787 to -3,496	-372 to -220
4Q 2021	-36.3% to -22.1%	-38.9% to -22.4%	-26.5% to -21.2%	-24,453 to -13,820	-53.9% to -30.5%	-20,458 to -11,297	-56.9% to -31.4%	-3,995 to -2,523	-42.6% to -26.9%	-4,124 to -2,289	-3,746 to -2,050	-378 to -238
Total 2021	-45.1% to -38.6%	-50.8% to -43.3%	-24.3% to -21.5%	-118,964 to -98,392	-63.6% to -52.6%	-100,727 to -83,616	-68.6% to -56.9%	-18,237 to -14,776	-45.6% to -36.9%	-20,171 to -16,673	-18,448 to -15,277	-1,724 to -1,396



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>





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