

# APAC airlines show notable improvement

Asia Pacific has been the hardest hit travel region globally as many countries sought zero cases and the region has overwhelmingly had the most restrictive border measures. Figures just released by the Association of Asia Pacific Airlines (AAPA) have finally begun to show notable improvement in the region as some governments began to loosen restrictions.

Measured in revenue passenger kilometres (RPK), international passenger demand averaged 7.1% of 2019 levels, indicating relative strength of longer haul markets. Available seat capacity was 16.6% of the same month in 2019, with the international passenger load factor averaging 34.1% for the month. These numbers are significantly lower than is being seen in the rest of the world, but are an improvement from the previous 10 months of the year. However, the emergence of the highly infectious Omicron variant in late November has since raised uncertainty over recovery prospects.

Commenting on the results, Mr. Subhas Menon, AAPA Director General said, “For the first eleven months of the year, international passenger volumes were 4% of the same period in 2019. Although overall traffic volumes remain significantly depressed compared to pre-pandemic levels, the recent relaxation of some border restrictions and establishment of vaccinated travel lanes are welcome moves towards the restoration of international air travel in the region.”

“Meanwhile, the resilience of the cargo sector continues to be an important lifeline for the region’s airlines during this pandemic. On the other hand, oil prices have risen significantly, with jet fuel prices averaging US\$92 per barrel in November, almost double of the corresponding month in 2020, adding to the challenges airlines face in a bid to restore profitability.”

Mr. Menon concluded, “Overall, full restoration of international air travel remains some way off. The abrupt re-imposition of travel restrictions by many governments in the face of the rising spread of the Omicron variant threatens to hold back the long-awaited revival of Asia’s travel and tourism industry. Collaboration and coordination of industry stakeholders across borders are critical to the safe and sustained resumption of international air travel, without which, the recovery journey will likely be volatile and uneven.”