

IATA expects traffic recovery by 2024

The International Air Transport Association (IATA) has announced that it expects traveler numbers to reach 4 billion in 2024, reaching 103% of the 2019 total.

Despite the Omicron variant causing the renewal of restrictions in countries around the world and thus the shifting of near-term recovery, the overall picture remains the same as was projected in November.

“The trajectory for the recovery in passenger numbers from COVID-19 was not changed by the Omicron variant. People want to travel. And when travel restrictions are lifted, they return to the skies. There is still a long way to go to reach a normal state of affairs, but the forecast for the evolution in passenger numbers gives good reason to be optimistic,” said Willie Walsh, IATA’s Director General.

The February update to the long-term forecast shows an improvement over November’s forecast because although some restrictions were renewed with Omicron, restrictions as a whole have lifted more quickly than expected.

- In 2021, overall traveler numbers were 47% of 2019 levels. This is expected to improve to 83% in 2022, 94% in 2023, 103% in 2024 and 111% in 2025.
- In 2021, international traveler numbers were 27% of 2019 levels. This is expected to improve to 69% in 2022, 82% in 2023, 92% in 2024 and 101% in 2025.
- In 2021, domestic traveler numbers were 61% of 2019 levels. This is expected to improve to 93% in 2022, 103% in 2023, 111% in 2024 and 118% in 2025.

The outlook for domestic travel is not as optimistic as some major domestic markets including Canada, China, Japan and Australia have not recovered as well as the US and Russia (more on Russia later).

“The biggest and most immediate drivers of passenger numbers are the restrictions that governments place on travel. Fortunately, more governments have understood that travel restrictions have little to no long-term impact on the spread of a virus. And the economic and social hardship caused for very limited benefit is simply no longer acceptable in a growing number of markets. As a result, the progressive removal of restrictions is giving a much-needed boost to the prospects for travel,” said Walsh.

IATA continues to call for the following, to help ensure the return of a robust air travel industry as soon as possible:

- The removal of all travel barriers (including quarantine and testing) for those fully vaccinated with a WHO-approved vaccine
- Pre-departure antigen testing to enable quarantine-free travel for non-vaccinated travelers
- Removing all travel bans, and
- Accelerating the easing of travel restrictions in recognition that travelers pose no greater risk for COVID-19 spread than already exists in the general population.

While as a whole recovery is moving along well, there are some major concerns, especially in Asia-Pacific. Please see chart below for region-specific projections.

Passenger numbers, share of 2019	2021	2022	2023	2024	2025
Industry-wide	47%	83%	94%	103%	111%
International	27%	69%	82%	92%	101%
Domestic	61%	93%	103%	111%	118%
Asia Pacific	40%	68%	84%	97%	109%
Europe	40%	86%	96%	105%	111%
North America	56%	94%	102%	107%	112%
Africa	46%	76%	85%	93%	101%
Middle East	42%	81%	90%	98%	105%
South America	51%	88%	97%	103%	108%
Central America	72%	96%	102%	109%	115%
Caribbean	44%	72%	82%	92%	101%

Source: IATA/Tourism Economics Air Passenger Forecast, March 2022

IATA statement on the effects of the Russia-Ukraine Conflict

“The forecast does not calculate the impact of the Russia-Ukraine conflict. In general, air transport is resilient against shocks and this conflict is unlikely to impact the long-term growth of air transport. It is too early to estimate what the near-term consequences will be for aviation, but it is clear that there are downside risks, in particular in markets with exposure to the conflict.

“Sensitivity factors will include the geographic extent, severity, and time-period for sanctions and/or airspace closures. These impacts would be felt most severely in Russia, Ukraine and neighboring areas. Pre-COVID-19, Russia, was the 11th largest market for air transport services in terms of passenger numbers, including its large domestic market. Ukraine ranked 48.

“The impact on airline costs as a result of fluctuations in energy prices or rerouting to avoid Russian airspace could have broader implications. Consumer confidence and economic activity are likely to be impacted even outside of Eastern Europe.”