

ACI World publishes year-end COVID-19 economic impact analysis

Airports Council International (ACI) World has published its fifth COVID-19 economic impact analysis, revealing the devastating effect on the airport industry and the prospects for recovery.

The Advisory Bulletin, [The impact of COVID-19 on the airport business](#), notes that the global airport industry will record a reduction of more than 6 billion passengers by the end of 2020 compared to the pre-COVID-19 forecast for 2020, representing a decline of -64.2% of global passenger traffic.

With declines above -70% compared to the projected baseline, Europe and the Middle East are predicted to be the two most impacted regions. Asia Pacific has

embarked on recovery earlier and quicker than other regions and is forecasted to close the year with a decline of -59.2%, which was driven by large domestic markets such as China. This is the only region recording a decline below -60%.

Although there appear to be clear signs of optimism, government assistance is needed to support long-term recovery. As preparation for vaccine distribution continues, pre-departure testing is now required.

The airport industry was expected to generate about \$172 billion (all figures in US Dollars) this year. However, the COVID-19 crisis impact on airport revenues will result in a reduction of \$111.8 billion (or -65% compared to the pre-COVID-19 forecast).

ACI World has developed a number of scenarios exploring the potential recovery trajectory and in correlation with the baseline scenario, domestic passenger traffic is expected to recover to 2019 levels by 2023, with the recovery of international passenger traffic following in 2024.

"The pandemic has resulted in a full-scale transportation crisis with aviation brought to a virtual halt in April, following lockdowns imposed in many countries in the second half of March.

We are now seeing some positive signs and prospects are slightly better for recovery, but there is still a long way to go. One thing is certain, the world will be different after this pandemic.

Recent announcements of successful vaccine trials are offering hope for a sustained recovery, but vaccination campaigns will take time and the industry needs government assistance and policy support now to lay a solid foundation for recovery.

A consistent approach to testing should be implemented now to promote travel and do away with restrictive quarantine measures, with a coordinated and risk-based approach to combining testing and vaccination introduced going forward.

Tests and vaccines together will play a key role on the industry recovery, providing passengers with a safe travel environment and foster confidence in air travel," says ACI World Director General, Luis Felipe de Oliveira.

ACI World also found that, in the long run, it is predicted that the global traffic might take up to two decades to return to previously projected traffic levels.

