

Passenger traffic recovery continues in March - IATA

Passenger data for March 2022 demonstrates that the recovery of air travel continues, according to the International Air Transport Association (IATA).

Impacts from the conflict in Ukraine on air travel demand were quite limited overall while Omicron-related effects continued to be confined largely to Asian domestic markets, IATA said.

Note: IATA has returned to year-on-year traffic comparisons, instead of comparisons with the 2019 period, unless otherwise noted. Owing to the low traffic base in 2021, some markets will show very high year-on-year growth rates, even if the size of these markets is still significantly smaller than they were in 2019.

Total traffic in March 2022 (measured in revenue passenger kilometers or RPKs) was up 76.0% compared to March 2021. Although that was lower than the 115.9% rise in February year-on-year demand, volumes in March were the closest to 2019 pre-pandemic levels, at 41% below.

March 2022 domestic traffic was up 11.7% compared to the year-ago period, far below the 59.4% year-over-year improvement recorded in February. This largely was a result of the Omicron-related lockdowns in China. March domestic RPKs were down 23.2% versus March 2019.

International RPKs rose 285.3% versus March 2021, exceeding the 259.2% gain experienced in February versus the year-earlier period. Most regions boosted their performance compared to the prior month, led by carriers in Europe. March 2022 international RPKs were down 51.9% compared to the same month in 2019.

“With barriers to travel coming down in most places, we are seeing the long-expected surge in pent-up demand finally being realized,” said Willie Walsh, IATA’s Director General. “Unfortunately, we are also seeing long delays at many airports with insufficient resources to handle the growing numbers. This must be addressed urgently to avoid frustrating consumer enthusiasm for air travel.”

March 2022 (% year-on-year)	World share ¹	RPK	ASK	PLF (%-pt) ²	PLF (level) ³
Total Market	100.0%	76.0%	46.0%	12.7%	74.7%
Africa	1.9%	76.4%	46.8%	11.0%	65.7%
Asia Pacific	27.6%	-17.9%	-14.9%	-2.3%	64.2%
Europe	24.9%	246.9%	162.8%	17.9%	73.9%
Latin America	6.5%	119.8%	94.3%	9.4%	80.8%
Middle East	6.5%	221.1%	88.5%	29.6%	71.8%
North America	32.6%	96.5%	48.6%	20.5%	83.9%

¹% of industry RPKs in 2021 ²year-on-year change in load factor ³Load Factor Level

Passenger markets by region

European carriers continued to lead the recovery, with March traffic rising 425.4% versus March 2021, improved over the 384.6% increase in February 2022 compared to the same month in 2021. The impact of the war in Ukraine has been relatively limited outside of traffic to/from Russia and countries neighboring the conflict. Capacity rose 224.5% and load factor climbed 27.8 percentage points to 72.7%.

Asia Pacific airlines had a 197.1% rise in March traffic compared to March 2021, up over the 146.5% gain registered in February 2022 versus February 2021. While China and Japan remain restrictive to foreign visitors, other countries are becoming more relaxed, including South Korea, New Zealand, Singapore and Thailand. Capacity rose 70.7% and the load factor was up 24.1 percentage points to 56.6%, the lowest among regions.

Middle Eastern airlines' traffic rose 245.8% in March compared to March 2021, an improvement compared to the 218.2% increase in February 2022, versus the same month in 2021. March capacity rose 96.6% versus the year-ago period, and load factor climbed 31.1 percentage points to 72.1%.

North American carriers experienced a 227.8% traffic rise in March versus the 2021 period, slightly down on the 237.3% rise in February 2022 over February 2021. Capacity rose 91.9%, and load factor climbed 31.2 percentage points to 75.4%.

Latin American airlines' March traffic rose 239.9% compared to the same month in 2021, little changed from the 241.9% increase in February 2022 compared to February 2021. The region benefited from the end of bankruptcy procedures for some of the main carriers based there. March capacity rose 173.2% and load factor increased 15.8 percentage points to 80.3%, which was the highest load factor among the regions for the 18th consecutive month.

African airlines had a 91.8% rise in March RPKs versus a year ago, improved compared to the 70.8% year-over-year increase recorded in February 2022 compared to the same month in 2021. Air travel demand is challenged by low vaccination rates on the continent as well as impacts from rising inflation. March 2022 capacity was up 49.9% and load factor climbed 14.1 percentage points to 64.5%.

IATA's figures also showed that China's domestic traffic was down 59.1% in March, compared to March 2021, which was a large reversal compared to the 32.8% year-on-year growth recorded in February. This was owing to the drastic lockdowns and travel restrictions following the spread of Omicron in the country.

2022 vs 2019

March's strong growth in most markets compared to a year ago is helping passenger demand catch up to 2019 levels, IATA said.

Total RPKs in March were down 41.3% compared to March 2019, an improvement compared to the 45.5% decline recorded in February versus the same month in 2019. The domestic recovery continues to outpace that of international markets despite the setback in China.

While applauding the traffic recovery in March, Walsh concluded with criticism of the situation in the Netherlands, where the Dutch government is taking several travel-unfriendly measures: "The ongoing recovery in air travel is excellent news for the global economy, for friends and families whose forced separations are being ended, and for the millions of people who depend on air transport for their livelihoods. Unfortunately, some government actions are emerging as key impediments to recovery. 2

This is demonstrated most dramatically in the Netherlands.

“Schiphol Airport is being allowed by the regulator to repay itself on the back of airlines and consumers for COVID-19 losses with a 37% hike in airport charges over the next three years. Simultaneously, the airport has asked airlines to cancel bookings and new sales this week, at huge inconvenience to passengers, claiming shortfalls in airport staffing, including government-provided security functions. And the government itself is planning to increase passenger taxes by €400 million (US\$424 million) annually with the stated purpose of discouraging travel.

“Seeing the Dutch government work to dismantle connectivity, fail to provide critical airport operational resources and enable price-gouging by its hub airport is a destructive triple whammy. These actions will cost jobs. They will hurt consumers who are already struggling with price inflation. And they will deplete resources that airlines need to achieve their Net Zero sustainability commitment.

“The Dutch government has forgotten a key lesson from the COVID-19 crisis which is that everyone’s quality of life suffers without efficient air connectivity. It must reverse course, and others must not follow their terrible example. To secure the recovery and its economic and social benefits, the immediate priority is for governments to have plans in place to meet expected demand this summer. Many people have waited two years for a summer holiday – it should not be ruined through lack of preparation,” said Walsh.