ACI: Europe’s airports set to lose 1.57bn passengers and €32bn this year

Taking stock of current travel restrictions/bans as well as the current epidemiological situation globally, ACI Europe now predicts that passenger traffic across Europe’s airports will not return to 2019 levels until 2024, rather than 2023 which was mooted in the organisation’s previous forecast issued in May 2020.

Europe’s airports are now set to lose -1.57bn passengers in 2020, a decrease of -64% compared to the previous year and revenues are set to decrease by -€32.4bn/$37bn in 2020 (-67%).

Unsurprisingly, non-aeronautical revenue is expected to fall by €13.25bn/$15bn (-68%) this year, with retail, F&B and parking expected to suffer a €10.45bn/$12bn (-74%) drop.

ACI Europe has also warned that any current recovery patterns come with significant diseconomies of scale for airports.

PAX TRAFFIC FELL -93% IN JUNE

Passenger traffic across European airports stood at -93% in June compared to the same period last year; a marginal improvement over the previous month (May 2020: -98%).

Europe’s airports served just 16.8m passengers in June, compared to 240m in the same month last year.

The improvement over the preceding month reflects the progressive lifting of travel restrictions within the EU and Schengen area. As a result, the European airport network saw daily passenger volumes increasing nearly threefold from 267,000 passengers on 1 June to 757,000 passengers on 30 June, but still a far cry from last years daily average of 8m in the same month.

Olivier Jankovec, Director General of ACI Europe said: The recovery in passenger traffic is proceeding at a slower pace than we had hoped for. This was the case in June, and initial data for July also indicates were likely to recover only 19% of last years traffic rather than the 30% we had forecast.

EU NOT YET MANAGED TO ALIGN TRAVEL POLICIES

“This is down to the still incomplete lifting of travel restrictions within the EU/Schengen area and the UK – as well as the permanence of travel bans for most other countries.

“The fact that EU and Schengen states have not yet managed to effectively coordinate and align over their travel policies does not help, as it is not conducive to restoring confidence in travel and tourism in the middle of the peak Summer season.”

With reinstated flights generally achieving low load factors, passenger volumes are trailing behind flight numbers, highlights ACI Europe.

This is particularly impacting airports, as their operating costs are driven by aircraft movements while the bulk (76%) of their revenues comes from passengers, through passenger charges for the use of their facilities and a wide range of passenger-driven commercial revenues; in particular retail. This means that the current recovery pattern disproportionately increases costs relative to revenues.

Jankovec commented: The financial situation of airports is not significantly improving – with some even
ACI: Europe’s airports set to lose 1.57bn passengers and €32bn this year making more losses now compared to their situation prior to the restart.

**FIERCE AIRLINE PRESSURE**

“Considering that the peak Summer season normally accounts for a large share of annual revenues and the fact that temporary unemployment schemes are coming to an end in many EU States – not to mention fierce airline pressure on airport charges – liquidity will remain an on-going concern through the winter.

“Many airports, especially smaller regional airports, will need financial relief. This requires looking beyond the current EC Temporary Framework on State aid which is ending next December.

Since making the revised traffic forecast, Jankovec, and Patrick Ky, Executive Director of the European Union Aviation Safety Agency (EASA), have signed a ‘groundbreaking’ agreement supporting the ongoing safe and secure recovery of aviation.

The Cooperation Agreement for the implementation of the joint EASA/ECDC Covid-19 Aviation Health Safety Protocol further consolidates this operational guidance to airports and airlines as the European standard and reference for States to follow.

**NEW PROTOCOL AGREEMENT**

Following ACI Europe’s close involvement in the development of the Protocol, this agreement now commits the European airport trade body to coordinate the ongoing engagement of EASA with the European airport community.

Specifically, the cooperation agreement establishes a monitoring model in order to fine-tune and improve the Protocol in the light of operational practice and further developments. As such, this agreement complements EASA’s Aviation Industry Charter for Covid-19, through which a number of airports report data back to the Safety Agency.

Along with the signature of the cooperation agreement, ACI Europe also published its Guidelines for a Healthy Passenger Experience at Airports.

Endorsed by EASA, this comprehensive document marks the culmination of ACI Europe’s ‘Off the Ground’ initiative to support a safe and coordinated restart.
Olivier Jankovec, Director General of ACI Europe.

The ACI Europe Guidelines provide detailed step-by-step guidance and advice to airports on how to implement the EASA/ECDC Covid-19 Aviation Health Safety Protocol - considering all possible actions, methodologies, technologies and implications in terms of facility and resource management as well as communications.

**INSTRUMENTAL IN RESTARTING AVIATION**

Olivier Jankovec said: “Working hand in hand with regulators and industry stakeholders is key to a safe and effective recovery of aviation. This is what airports have been committed to all along in this crisis and the cooperation agreement we have signed today with EASA is another reflection of that.”

He added: “There is no doubt that the Aviation Health Safety Protocol developed by EASA and ECDC has been instrumental in restarting of aviation. This is indeed the standard that Europe’s airports are following.

Patrick Ky said: “We welcome the leadership shown by ACI Europe in embracing the EASA/ECDC Aviation Health Safety Protocol and developing further practical implementation advice for their members. Effective implementation and consistent application of the Protocol in Europe and beyond is fundamental to the restoration of customer confidence in the aviation industry after the collapse in passenger traffic as a result of the pandemic.”

He added: “Recovery from this unprecedented crisis requires coordination at European and international level and in this context EASA is pleased to build on its partnership with ACI. The pledge made by many ACI members through the EASA Aviation Industry Charter to contribute to the monitoring of the Protocol implementation ensures that we have the feedback loop necessary to consistently refine the guidelines, so as to provide the best and safest possible experience for travellers.”
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