

APAC airports losing money, yet plan for over 150 new airports

A Monitor Report

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Dhaka : According to the Airports Council International (ACI), Asia-Pacific is expected to be the last region to recover to pre-pandemic levels of air travel. A full recovery to 2019 levels is not forecast until the end of 2024, with Asia-Pacific airports expected to lose USD 41 billion in revenue in 2021 and 2022.

The latest ACI Asia-Pacific forecast indicates that the region will only reach around 55 per cent of pre-pandemic volumes in 2022, not a huge difference from the 43.5 per cent it recovered last year. This contrasts sharply with the pace of recovery in Europe and North America, which are estimated to reach 70 per cent to 80 per cent, respectively.

Overall, Asia-Pacific and Middle East airports are handling less than half of the passengers they did in 2019 while still carrying significant expenses, which is why they are losing money.

However, globally, passenger numbers are forecast to grow from 9.2 billion in

2019 to about 19 billion in 2040, with Asia-Pacific and the Middle East accounting for 58 per cent of total volumes.

To handle that growth, ACI says there are plans for almost 300 new greenfield airports, with more than half of those in Asia-Pacific. Within the region, South Asia accounts for 18 per cent, Southeast Asia 17 per cent and Emerging East Asia 12 per cent.