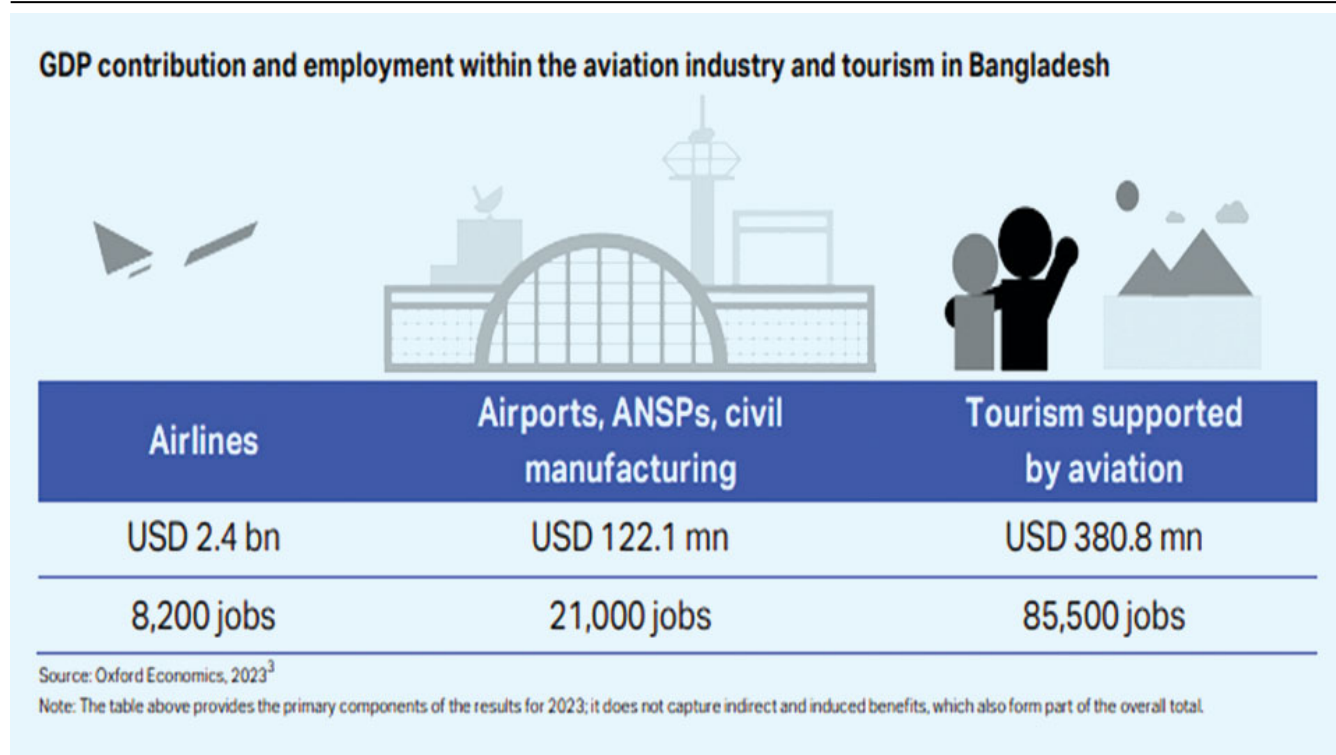


Air transport's contribution to national GDP USD 5.3b/1.2pc, generates 475,000 jobs

- A Monitor Desk Report

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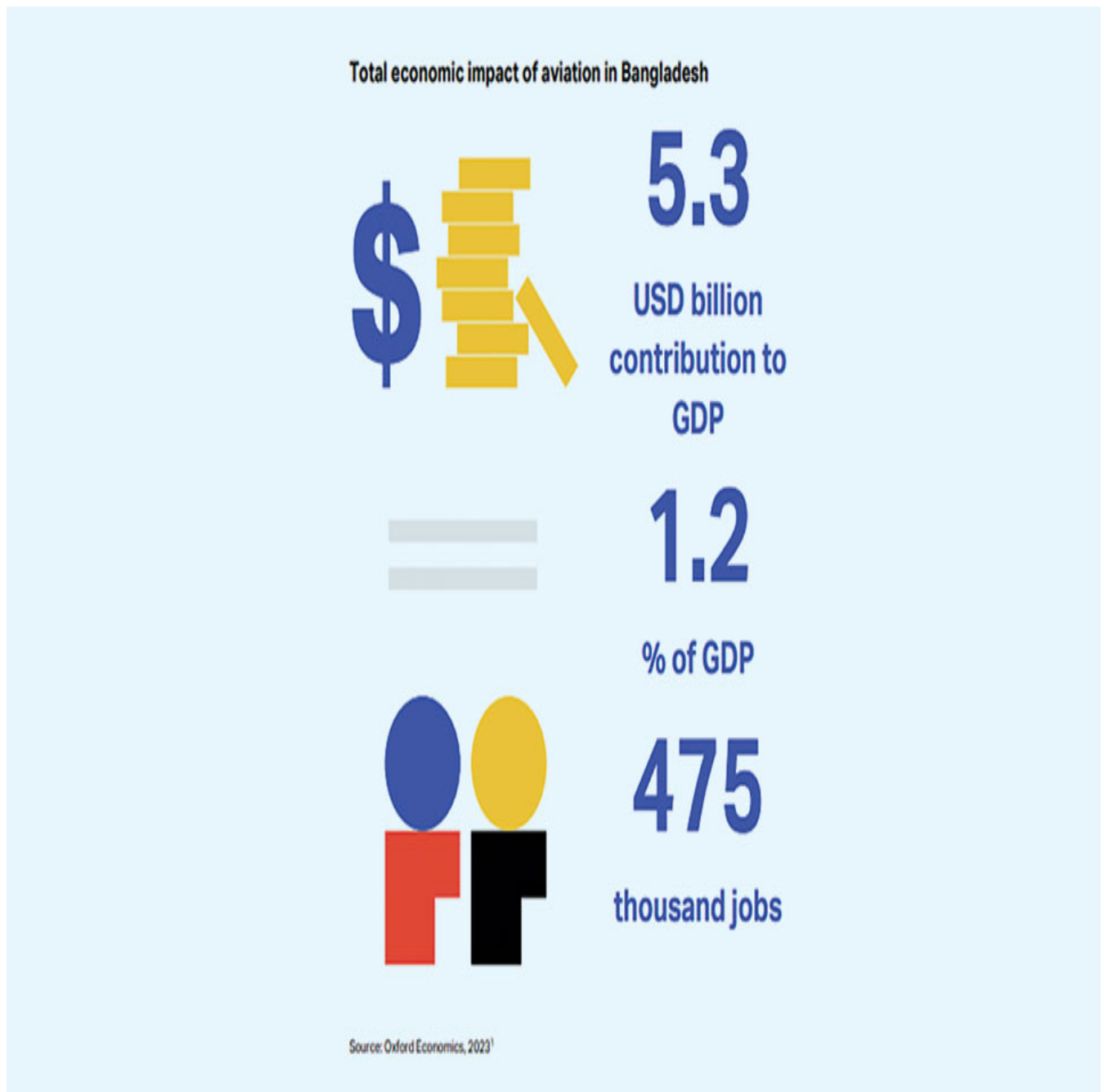
Dhaka : In Bangladesh, 29,200 people are directly employed in aviation, generating USD 2.4 billion of economic output, equal to 0.6 per cent of the total Gross Domestic Product (GDP). Additional benefits are generated by the wider supply chain, employee spending, and tourism activities contributing a total of USD 5.3 billion to GDP and 474,600 jobs.

The data came forth in the latest report by the global trade body International Air Transport Association (IATA) on the value of air transport to Bangladesh for the year 2023.

As per IATA, there are different ways of measuring air transport's impact on an economy. Two key indicators are the number of jobs and the contribution to gross domestic product (GDP) generated by the aviation sector, including airlines, airport operators and onsite

businesses, air navigation service providers, and manufacturers ("direct" aviation players).

Tourism supported by aviation contributes USD 380.8 million to the country's GDP and employs 85,500 people. International tourists to Bangladesh are estimated to contribute USD 401.5 million annually to the economy through the purchase of goods and services from local businesses.



Aviation' substantial, widespread social benefits

Aviation creates a range of social benefits and contributes significantly to the United Nations Sustainable Development Goals (SDGs). Air transport enhances access to education, connects friends and families, facilitates cultural exchange, and drives socio-economic development.

Acting together, these forces enable a country to expand its productive potential, delivering long-term economic growth and supporting the reduction in poverty and improvement in living standards for all of the nation's citizens, said IATA in its report.

The cost of flying impacts the magnitude of the benefits that can be generated by air travel. In the past 50 years, flight costs have decreased by 70 per cent globally, making air transport more accessible.

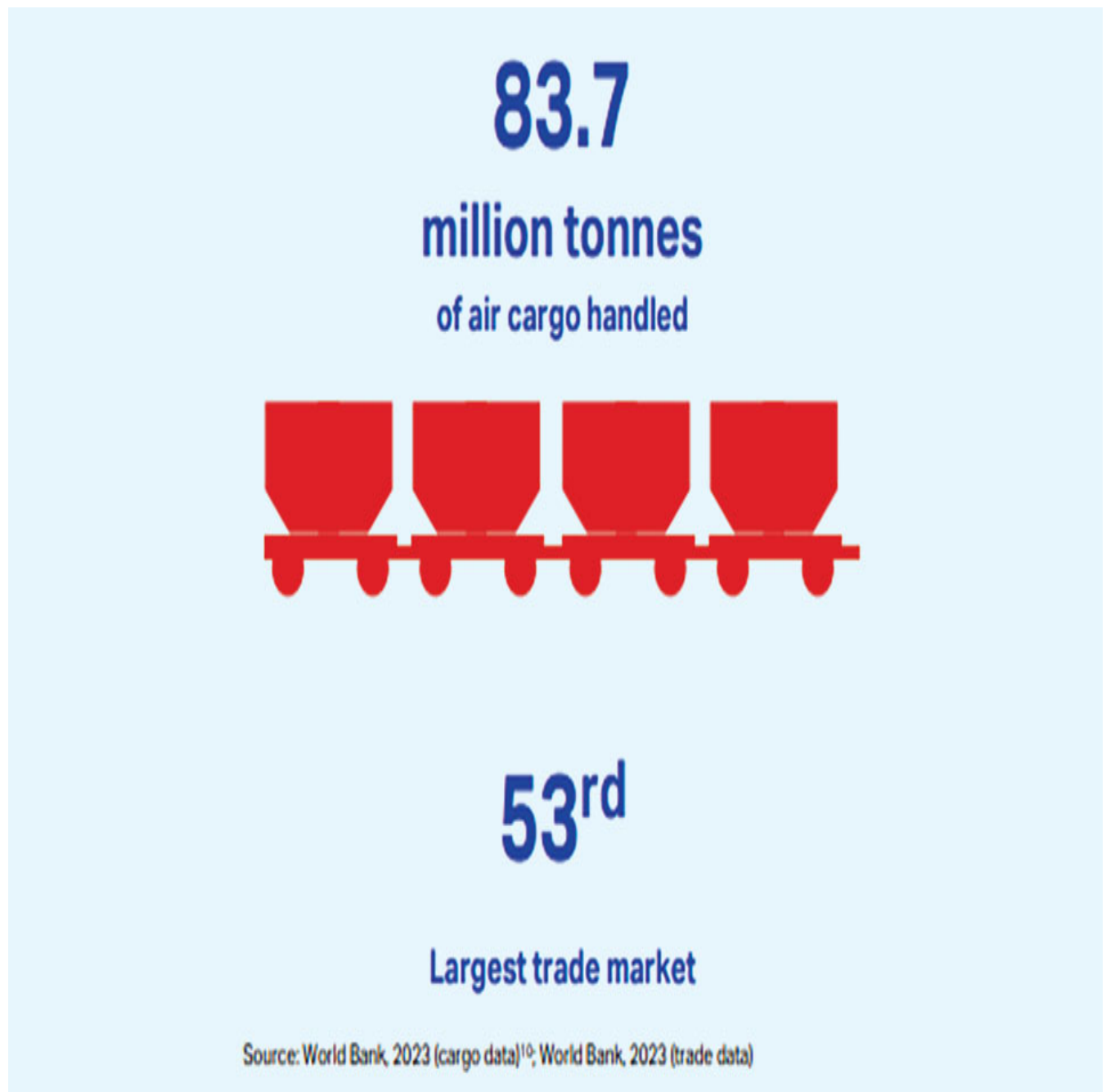


The average real airfare in Bangladesh decreased by 39 per cent between 2011 and 2023, with the local population now needing to work 32.8 days to afford a plane ticket. Overall, 48 flights per 1,000 population were taken in 2023, further informed IATA.

Air transport facilitates trade

Aviation stimulates global trade and investment, enables labor and capital productivity improvements, boosts innovation, and fosters knowledge exchange.

The movement of goods, enabled by the air transport industry, brings about improved economic outcomes via catalytic collaboration, specialization, and more efficient allocation of resources across all sectors of the local and world economy, according to the international trade body.



IATA mentioned, aviation plays a crucial role in enabling the development of dynamic and efficient supply chains, and in driving the growth in e-commerce. In times of crisis, the world relies on air cargo to provide humanitarian aid and emergency relief.

83.7 million tons of air cargo were transported through airports in Bangladesh in 2023, supporting the country's total import and export volumes, making it the 53rd largest trade market, concluded International Air Transport Association in its report.

However, it may be mentioned here, many of the aforementioned numbers should have increased in 2024, as new routes, frequencies, airlines, and flights after 2023 emerged in the Bangladesh market since then.