

## ME air travel demand soars by 9.7pc: IATA

- A Monitor Desk Report

Date: 07 July, 2024



**Riyadh: Middle Eastern airlines saw a 9.7 percent annual growth in passenger demand in May fueled by an increase in Asia-related travel, according to an industry body.**

In its latest report, the International Air Transport Association said that the total capacity of airlines in the region posted a growth of 9 percent year-on-year in May.

Moreover, the Middle East region handled 9.4 percent of the overall passengers globally in May, a figure that remained unchanged from the previous month.

Countries in the Middle East, including Saudi Arabia, have been strengthening their aviation sector over the past few years as they continue their economic diversification journey by reducing their decades-long dependence on oil.

Saudi Arabia's national aviation strategy aims to triple the number of passengers compared to 2019, handling 4.5 million tons of cargo, and establishing more than 250 direct destinations from the Kingdom's airports to global locations.

In May, a report released by the Kingdom's General Authority of Civil Aviation revealed that the sector contributed \$21 billion to the Kingdom's gross domestic product in 2023.

The IATA report notes that the Asia - Middle East route "ranks second only to within Asia in terms of RPK (revenue passenger kilometers) levels" as it highlighted the strength of travel between the two regions.

It went on: "The route pair has regained 2019 levels and set new records to-date for the whole 2024, standing 32 percent above the corresponding value of 2019 thus demonstrating strengthening flight demand between the two regions. Contributing factors to this disproportionate demand are geopolitical tensions and war in Ukraine which would divert passengers through the Middle East to reach Asia as a safer route."

The Russia-Ukraine war was also cited as a potential influence on the continued growth of the Europe-Middle East route, which saw an April-May RPK increase for two years in a row, reversing the previous historic pattern of a decline between these months, noted the report.

"In the coming months, it will become clearer to what extent these trends could be related to the Russia-Ukraine war," said IATA.

Earlier this month, another report released by IATA revealed that Middle Eastern airlines witnessed a 15.3 percent year-on-year demand growth for cargo in May, driven by growing e-commerce and maritime issues.

The report also added that the total cargo capacity of carriers in the region increased by 2.7 percent in May compared to the same month of the previous year.

IATA further pointed out that the Middle East region handled 13.5 percent of the overall cargo globally, a figure that remained unchanged from the previous month.

Global outlook of passenger demand

According to the report, global passenger demand – measured in RPK – rose by 10.7 percent in May compared to the same period of the previous year.

Similarly, total capacity, measured in available seat kilometers, also rose by 8.5 percent year-on-year in the fifth month of the year.

“Airlines filled 83.4 percent of their seats, a record for the month. With May ticket sales for early peak-season travel up nearly 6 percent, the growth trend shows no signs of abating,” Willie Walsh, director-general of IATA.

He added: “Airlines are doing everything they can to ensure smooth journeys for all travelers over the peak northern summer period.”

#### Asia-Pacific region leads passenger demand

According to the report, airlines operating in the Asia-Pacific region led passenger demand globally, marking a 27 percent growth in May compared to the same month in 2023.

IATA noted that the total capacity of airlines in the APAC region rose by 26 percent year-on-year, while the load factor increased to 81.6 percent.

Moreover, Asia-Pacific airlines handled 31.7 percent of the passengers globally in May, followed by Europe and North America at 27.1 percent and 24.2 percent, respectively.

Airlines from the Latin American region witnessed a passenger demand growth of 15.9 percent in May compared to the same month of the previous year. Moreover, the total capacity of these carriers also rose by 9.7 percent.

Similarly, the load factor among airlines in Latin America hit 85.1 percent in May, the highest among all regions.

On the other hand, African airlines saw a 14.1 percent year-on-year increase in demand, while the total capacity of these carriers surged by 8.2 percent during the same period.

The load factor among African airlines also rose to 72.3 percent in May, representing an annual rise of 3.7 percentage points.

This was the fastest increase in load factor among all regions, although Africa still has the lowest load factor overall.

Similarly, European airlines witnessed a passenger demand growth of 11.7 percent year-on-year in May.

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