

IATA Passenger Forecast Unveils Rapid Growth

International Air Transport Association (IATA) projects a rapid rise in the number of air passengers in a 20-year forecast report. The report notes that on average, the demand for air travel connections is set to grow at a pace of 4.1 percent each year. This means that the Association expects a total of 7.3 billion passengers come 2034, a huge leap forward considering that the number of air travelers currently rests at 3.3 billion people per year.



China is a key pillar in this forecast because it is expected to take over from the U.S. as the world's largest air passenger market. Both markets are however anticipated to dominate by a huge margin given that China will account for 1.3 billion passengers by 2034 as the U.S. will account for 1.2 billion passengers in the same period. The report which was produced by IATA in collaboration with Tourism Economics examines the flow of passengers within 4000 country pairs. It further forecasts the future of air travel trends by looking at indicators such as availability, demographics, price and living standards.

Key Future Growth Trends

China will add additional 856 million passengers to the air travel market by 2034. The U.S. will generate 559 million new passengers as India and Indonesia are likely to contribute 266 million and 183 million additional passengers respectively. Brazil will also be in the mix with additional 170 million passengers at the onset of 2034. Eight out of ten air travel markets that will exhibit robust growth will be from Africa with Madagascar, Tanzania, the Central Republic of Congo and Burundi leading the pack.

Destinations between Asia and South America are expected to dominate when it comes to country pairs. Intra-flights amongst countries such as Pakistan, United Arab Emirates, Colombia, Ecuador, Honduras and Ethiopia are set to grow at a rate of 9.5 percent per year for the next two decades. Indonesia–East Timor intra-flights are however projected to grow at a higher rate of 14.9 percent annually.



IATA's Director General and CEO, Tony Tyler, says that these growth patterns are likely to create 58 million new employment opportunities and pump USD 2.4 trillion into the global economy. In other words, the aviation industry will employ 105 million people and embrace a GDP of USD 6 trillion by 2034.

Environmental Concerns

Environmentalists are definitely concerned about these growth prospects in the aviation industry given the likelihood of experiencing increased carbon footprint patterns. IATA however notes that all these have been considered and there are various mitigation plans in play. The aviation industry for instance hopes to step up fuel efficiency by 1.5 percent annually until 2020. Beyond 2020, the industry plans to cap net greenhouse gasses emissions from jet fuels with the rise carbon-neutral strategies. The plan is bound to cut net jet fuel emissions by 50 percent at the turn of 2050.

10 Largest Passenger Markets

The size of a country's air passenger market is determined by air traffic into, within and from the country. The report puts the U.S. in the lead as the world's largest air passenger market. Cumulatively, the U.S. will carry 18.3 billion passengers compared to China's 16.9 billion passengers in the next 20 years before falling behind China sometime around 2030.

The UK is set to come in 3rd with 337 million passengers. Japan's low population growth rate may impend its air travel growth hence its likely to fall from the 4th to the 9th position by 2033. Germany and Spain will follow the trend and drop from the 5th and the 6th positions to occupy the 8th and 7th positions respectively. France will fall from number 7 to 8 as Italy will be pushed off the top 10 list.



Regional Highlights

In the regional front, Asia-Pacific routes will witness an increase of 1.8 billion passengers annually by 2034. This means that it will record the highest regional growth of 42 percent in the same period. The Northern America region will grow at 3.3 percent, slightly higher than Europe's 2.7 percent growth rate. Latin America will rise at 4.7 percent which is slightly lower than Middle East's 4.9 percent growth rate. Africa is expected to join the trail with a growth rate of 4.7 percent. Tyler notes that this is great news considering that the first 100 years of air transport history saw 65 billion people board airplanes to various destinations. The next bunch of 65 billion passengers will do the same in just 20 years.

Date: 2014-11-24

Article link:

<http://www.tourism-review.com/travel-tourism-magazine-iata-expects-73-billion-air-passengers-in-2034-article2529>