

86 AIRLINE BANKRUPTCIES IN 2 YEARS



A total of 86 airlines have been declared bankrupt due to the impact of the pandemic during the last two years. The latest data from the International Air Transport Association (IATA) shows that in 2020, up to 53 companies were destined to fail, while in 2021 this figure fell to 33.

Despite the severe impact of Covid-19 during this period, the data is better than it was in 2019, before the health crisis. **During this period, 59 airline bankruptcies were recorded, six more than the year of the crisis and 26 fewer than last year.**

However, the 2019-2020 comparison is somewhat misleading, as the level of inactivity for many airlines was very high during Covid despite the fact that they were not declared bankrupt.

Among the missing is the business charter company VolDirect, Atlantis Armenian Airlines (Armenia), Air Namibia, Air Burundi, Embraer Great Dane Airlines (Denmark), Stobart Air (Ireland), Thomas Cook Airlines Balearics (Spain), Czech Airlines (Czech Republic), Flybe and Ernest Airlines (Italy).

According to IATA figures, carriers' cumulative losses exceeded \$51.8 billion (€44.5 billion) last year due to Covid.

While before the crisis there were 93 companies whose operations were paralyzed, in 2020, explains the IATA study, this number has increased to 156." Optimism arrives in 2021, with only 69 companies paralyzed, 24 less than two years earlier.

These figures would have been much worse without the state support given by many governments to the airline industry. In Spain, for example, small bailouts were given to Air Europa and Plus Ultra Líneas Aéreas, but other countries were much more ambitious, such as Germany and France helping Air France and Lufthansa with injections of billions of euros, or like the Netherlands with the Dutch airline KLM.

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