



# AIR TRANSPORT OUTLOOK 2nd QUARTER 2019

“Better Skies for Africa”

Release date : October 2019





## TABLE OF CONTENTS



1

**Global airline industry performance**

2

**African Airline industry performance April – June 2019**

7

**Airport charges**

9

**Airport connectivity**

10

**African countries connectivity and openness**

12

**Fuel price**

13

**ANNEX: Glossary**

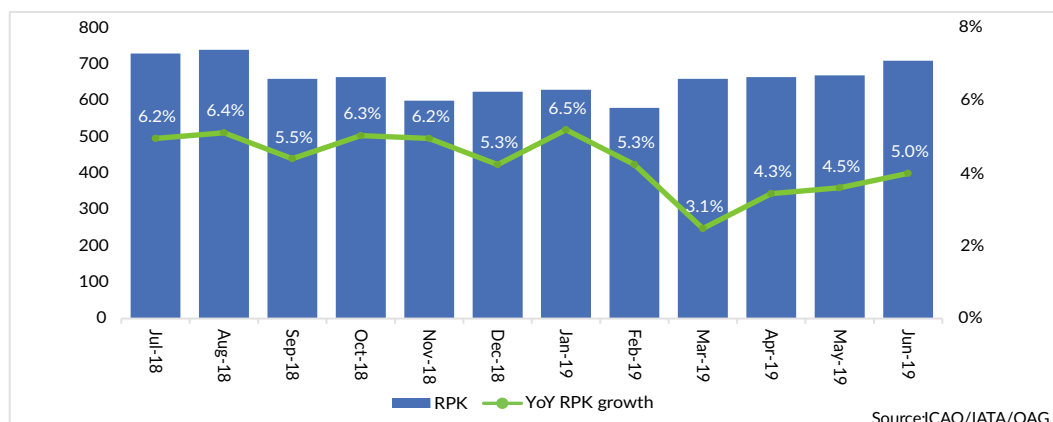


## Global airline industry performance

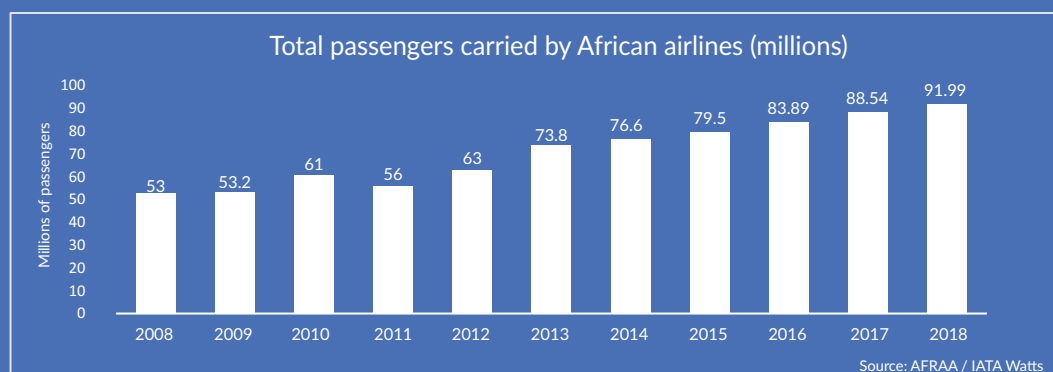
### Airline industry performance

World passenger traffic average growth for the second Quarter of 2019 is around 4.6% compared to an average of 6.7% in the same period 2018 (ICAO).

According to IATA, for the the first half of 2019, Asia Pacific, Latin America and Europe have the highest contribution to global traffic growth respectively. Profitability globally improved on the second quarter. It however declined in Europe due to competition of low cost carriers and rising fuel prices



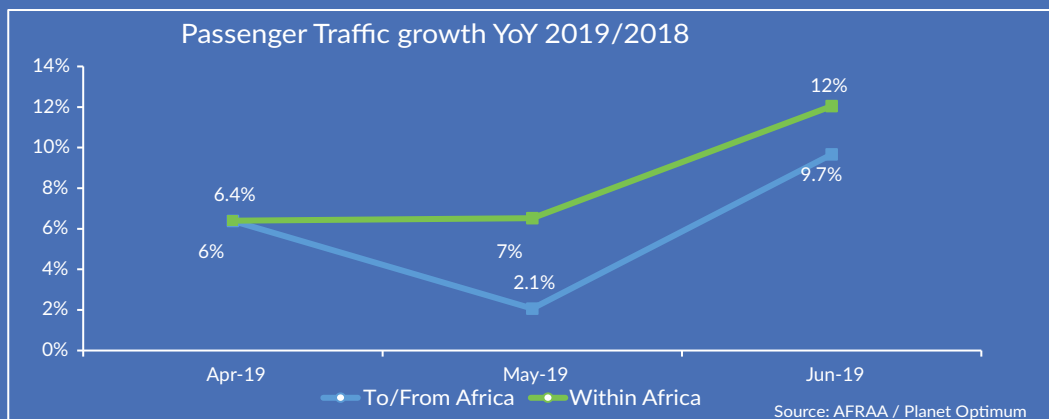
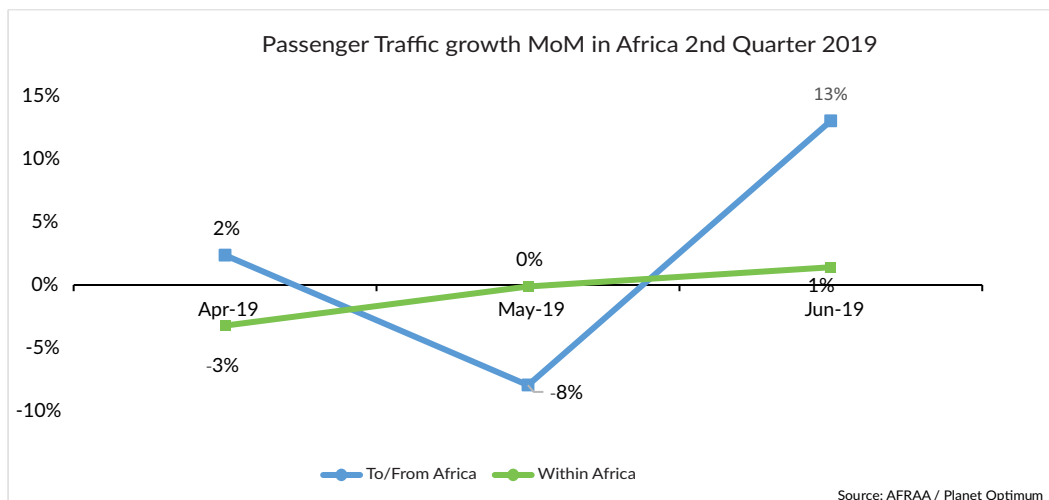
### African airline traffic evolution



The number of Passengers carried by African Airlines for 2018 is 91.99 million. According to IATA WATS, the RPK and FMTK YoY growth are 6.1% and 0.5% respectively."

# African Airline industry performance 2nd Quarter 2019

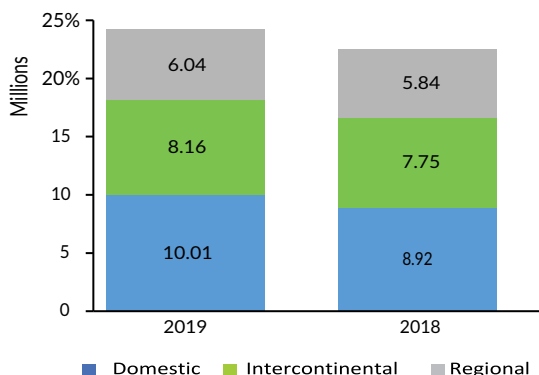
## Passenger traffic growth



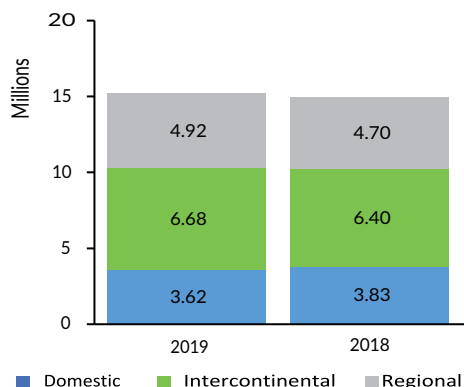
From April to June 2019, African airlines carried 24.21 million passengers (AFRAA estimates), representing 63% of the total traffic in Africa. This is an increase of 7.6% compared to the 22.5 million passengers carried in 2018. In terms of intercontinental traffic, African airlines carried 38% while non-African carried 62%. The average growth rate for the period April – June 2019 is 1.01% compared to -0.30% in 2018. The peak month of the 2nd quarter is June. The strong growth realized in June was supported by a favorable economic context in Africa.

## Passenger Distribution

African airlines passengers distribution 2nd Quarter 2019

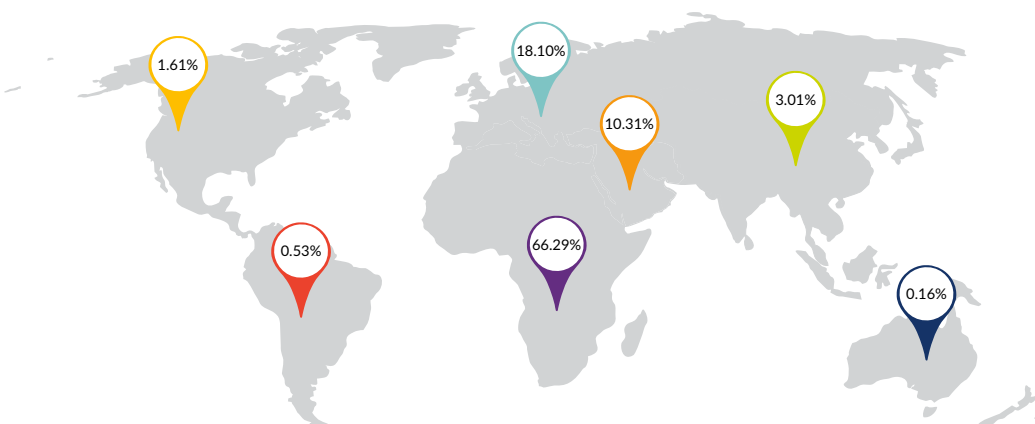


AFRAA airlines passengers distribution 2nd Quarter 2019

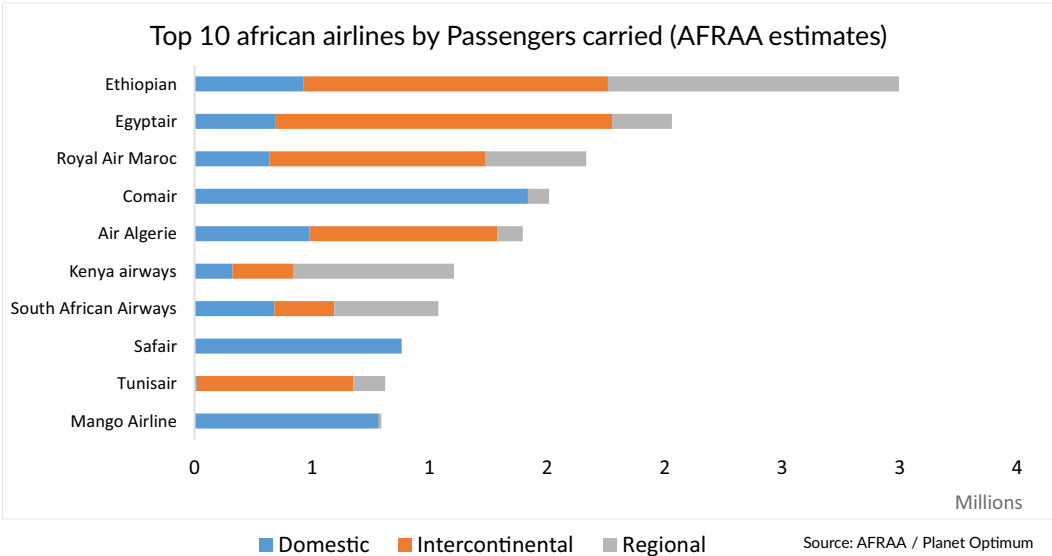


For AFRAA Airlines, the intercontinental traffic is dominant with 43.89% as most of the major carriers are members, carrying a significant portion of the intercontinental traffic. When considering all African airlines, the domestic traffic is the most critical (41.35%) with companies like Comair, Safair and Mango airlines, the 3 leading domestic carriers in Africa. The 3 airlines carried more than 3.05 million passengers in this second quarter.

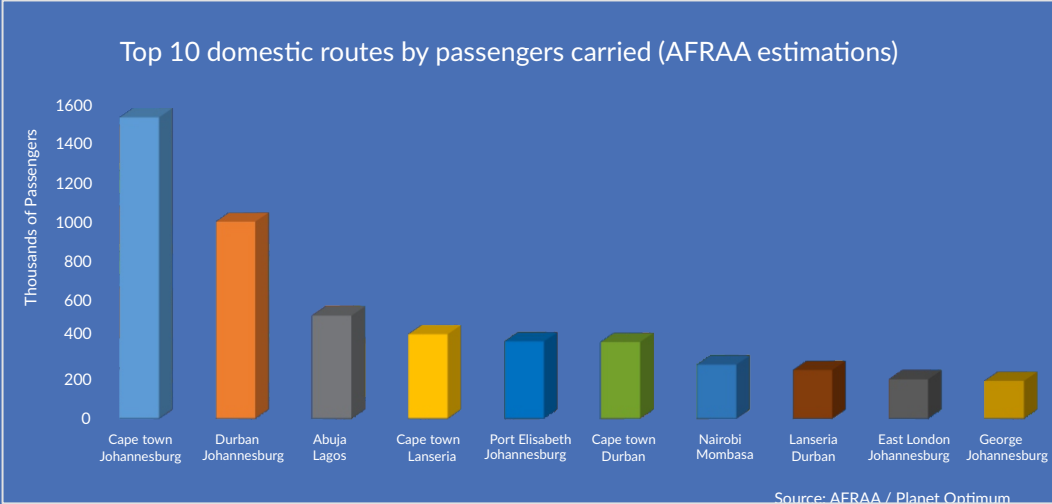
Traffic distribution for African Airlines 2nd Quarter 2019



### African airlines ranking by traffic (2nd Quarter 2019)

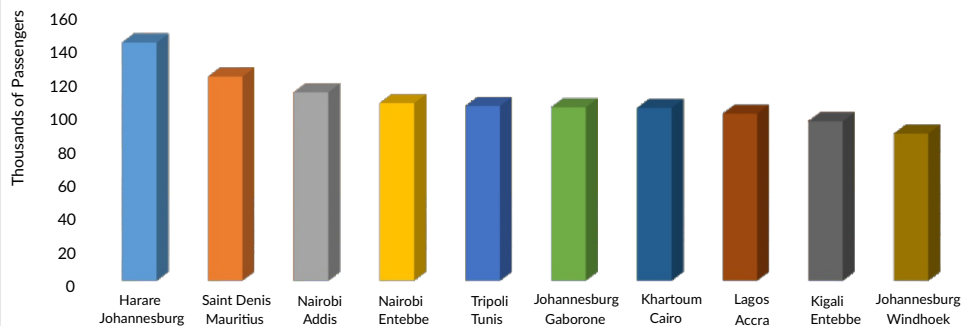


### Routes ranking by traffic (2nd Quarter 2019)



8 of the 10 busiest domestic routes in Africa are within South Africa showing the strength of this market. Western Africa is represented with the route Abuja - Lagos.

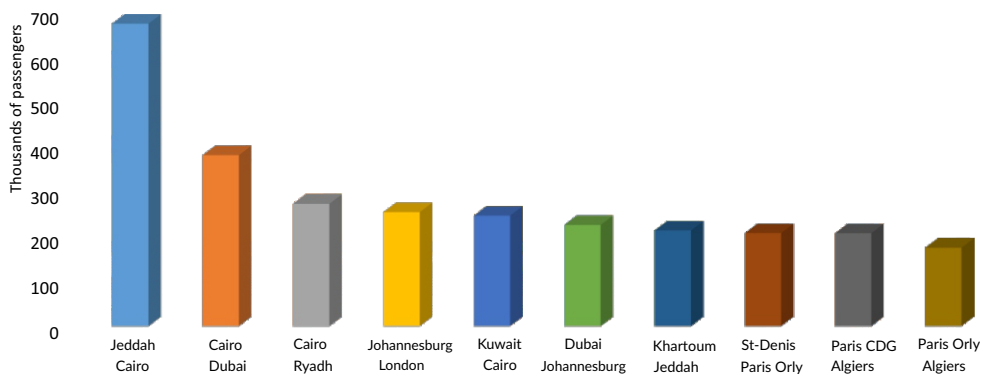
### Top 10 regional routes by passengers carried (AFRAA estimations)



Source: AFRAA / Planet Optimum

Eastern and Southern Africa are performing in terms of regional passenger traffic. WCA francophone countries are not represented in this ranking.

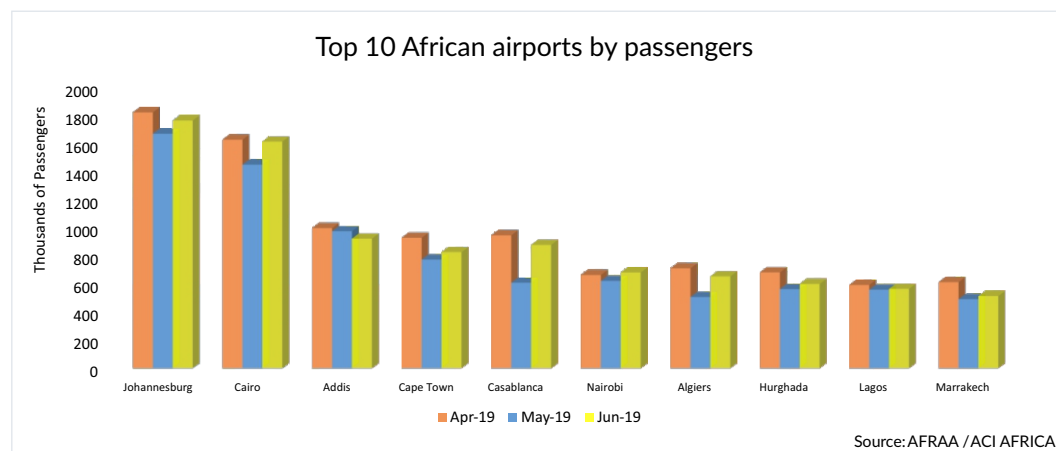
### Top 10 intercontinental routes by passengers carried (AFRAA estimations)



Source: AFRAA / Planet Optimum

This top 10 shows the strength of traffic between North-Africa and Middle-East, particularly from Cairo. Egyptair is the leading carrier on these routes.

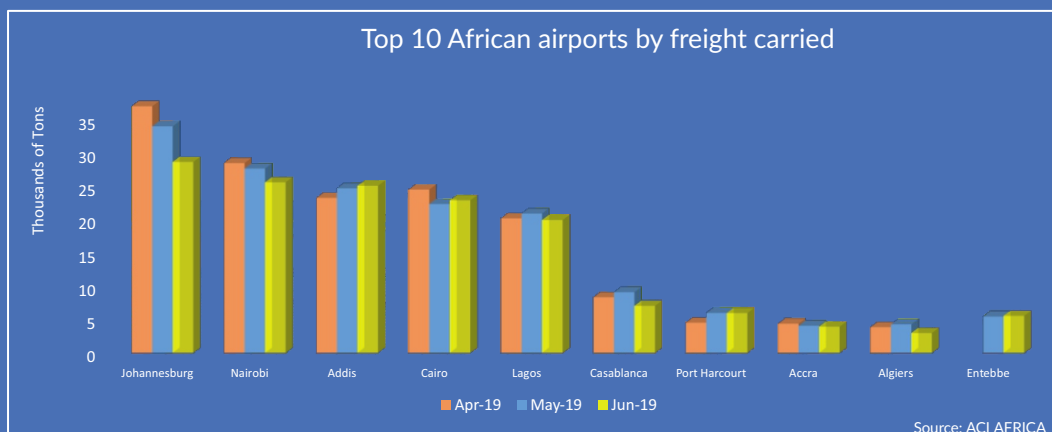
## Airport Ranking by Passengers Traffic 2nd Quarter 2019



Johannesburg and Cairo are the busiest airports in Africa, handling respectively 287 and 175 flights daily. Addis Ababa and Nairobi are also part of the top ranking carrying more than 5 million passengers every year. The only WCAF airport in this top 10 is Lagos.

## Airport Ranking by Freight Traffic 2nd Quarter 2019

For the second quarter 2019, Johannesburg airport handled more than 99.34 thousand tons of freight. Nairobi Jomo Kenyatta and Addis Ababa Bole are following with respectively 81.57 thousand and 72.88 thousand tons each.





# Airport charges

## Methodology:

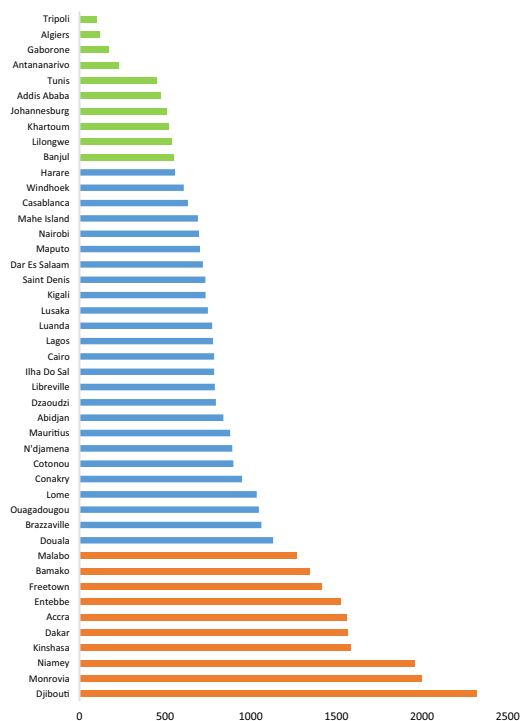
A comparative study based on a single aircraft type applies to all airports of more than 300 thousands passengers yearly.

The type of aircraft chosen is the B737, the most popular aircraft type in the region.

Following the applied criteria:

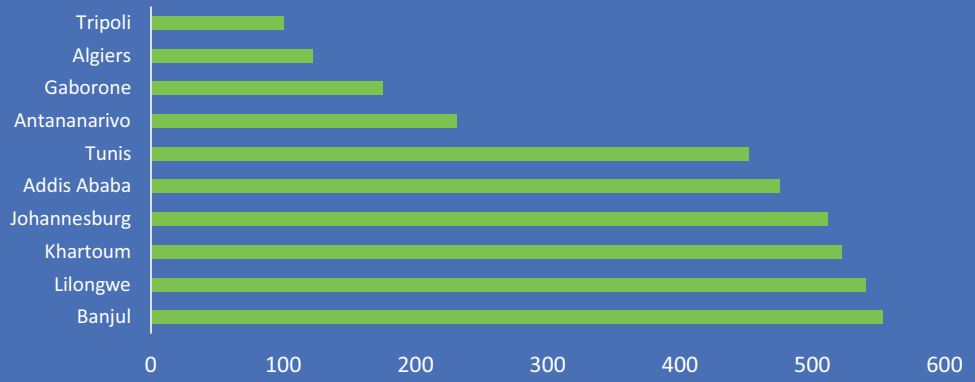
Aircraft Type	B737
MTOW	70.08 Metric
Flight Type	International
Origin & Destination	100
Total Departing Pax	100
Parking Time	2 Hour
Boarding bridge time	1 Hour
Arrival Time	12:00
Cargo	0 Kilograms

African airports ranking by charges index



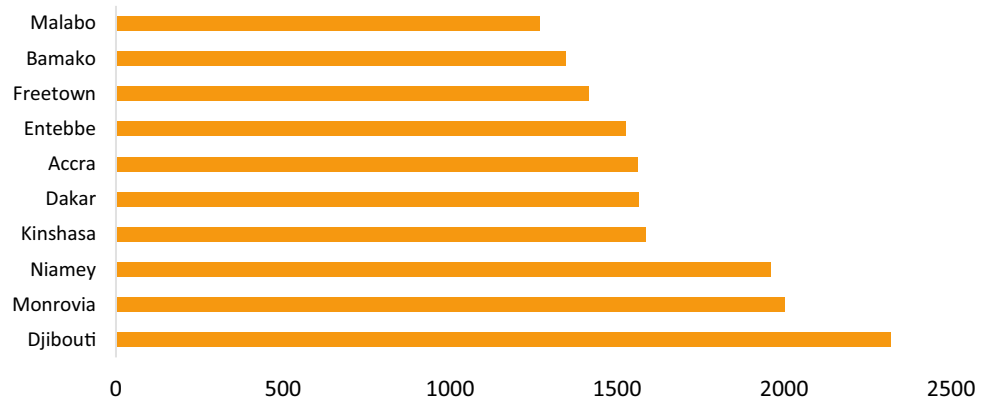
Source: AFRAA / IATA ACIC

Top 10 least expensive African airports - September 2019



Source: AFRAA / IATA ACIC

Top 10 most expensive African airports - September 2019



Source: AFRAA / IATA ACIC

West African airports are among the most expensive in Africa: 6 of the most expensive airports are from this region. Djibouti has the highest level of charges while Tripoli has the lowest in Africa. The busiest airports in Africa like Johannesburg, Addis, Algiers, Tunis, Casablanca and Nairobi are among the least expensive. This indicate that lowering the airport charges can have a positive effect on traffic.

## Airport Connectivity Index

### Methodology:

According to OAG methodology, we calculate the total number of all possible connections between inbound and outbound flights on 7 important African hubs in each region, on a weekly basis. Then we compute the average number of connection daily.

The rules selected for the computation are as follows:

- Single connections only to/from the chosen airports;
- Minimum Connection Time from OAG table;
- Maximum Connection Window of 12 hours

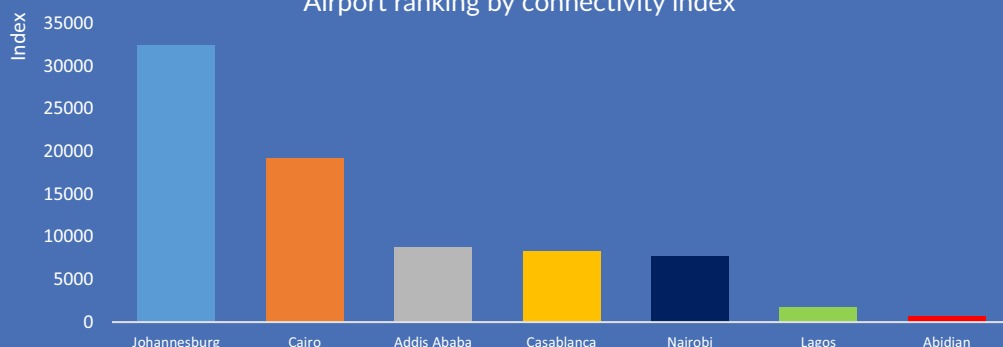
AIRPORT	Inbound flights / Day (average)	Outbound flights / Day (average)	Index
Johannesburg	281	413	32382
Cairo	209	314	19213
Addis Ababa	139	213	8791
Casablanca	132	178	8229
Nairobi	132	191	7711
Lagos	69	103	1770
Abidjan	37	48	664

Source: AFRAA / OAG

Johannesburg OR Tambo has the highest connectivity index with an average of 32382 possible connections (national and international) daily within a 12hours window.

East Africa's dominant airport is Addis Ababa Bole International airport with 8791 possible connections a day. Abidjan has the smallest index comparatively, since it handles far fewer flights.

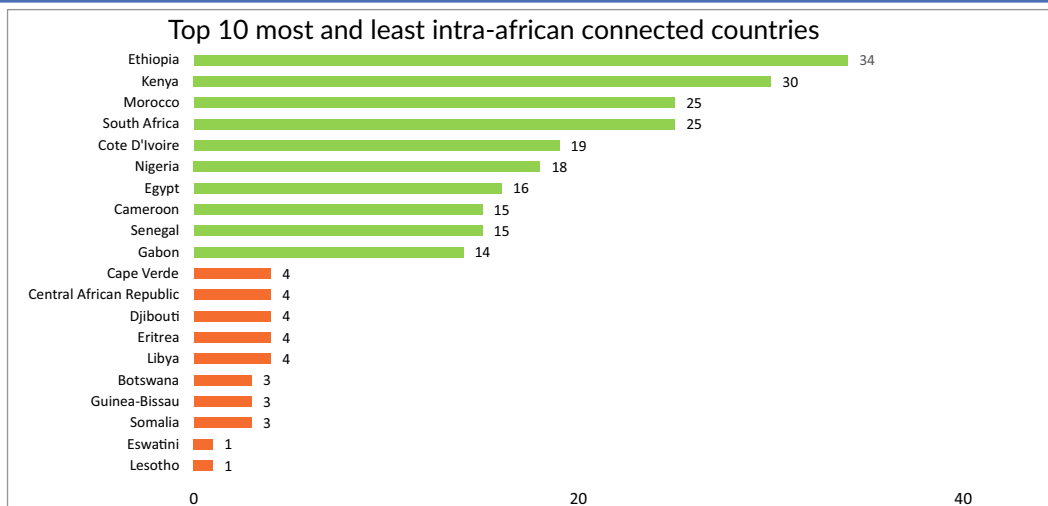
Airport ranking by connectivity index



# African countries connectivity and openness

From April to June 2019, the regional traffic represented only 24.94% of African carriers operations.

While the African Union is setting up the African passport, it is important that airlines develop more intra-African destinations.



Among the 55 countries in the African continent, only 4 have direct flights to more than 20 African countries. Ethiopia and Kenya lead with more than 30 direct flights to other countries within Africa. However, the intra – African connectivity remains poor with countries like Lesotho or Swaziland only connected to South Africa in terms of air transport. This represents an opportunity for business for African airlines.

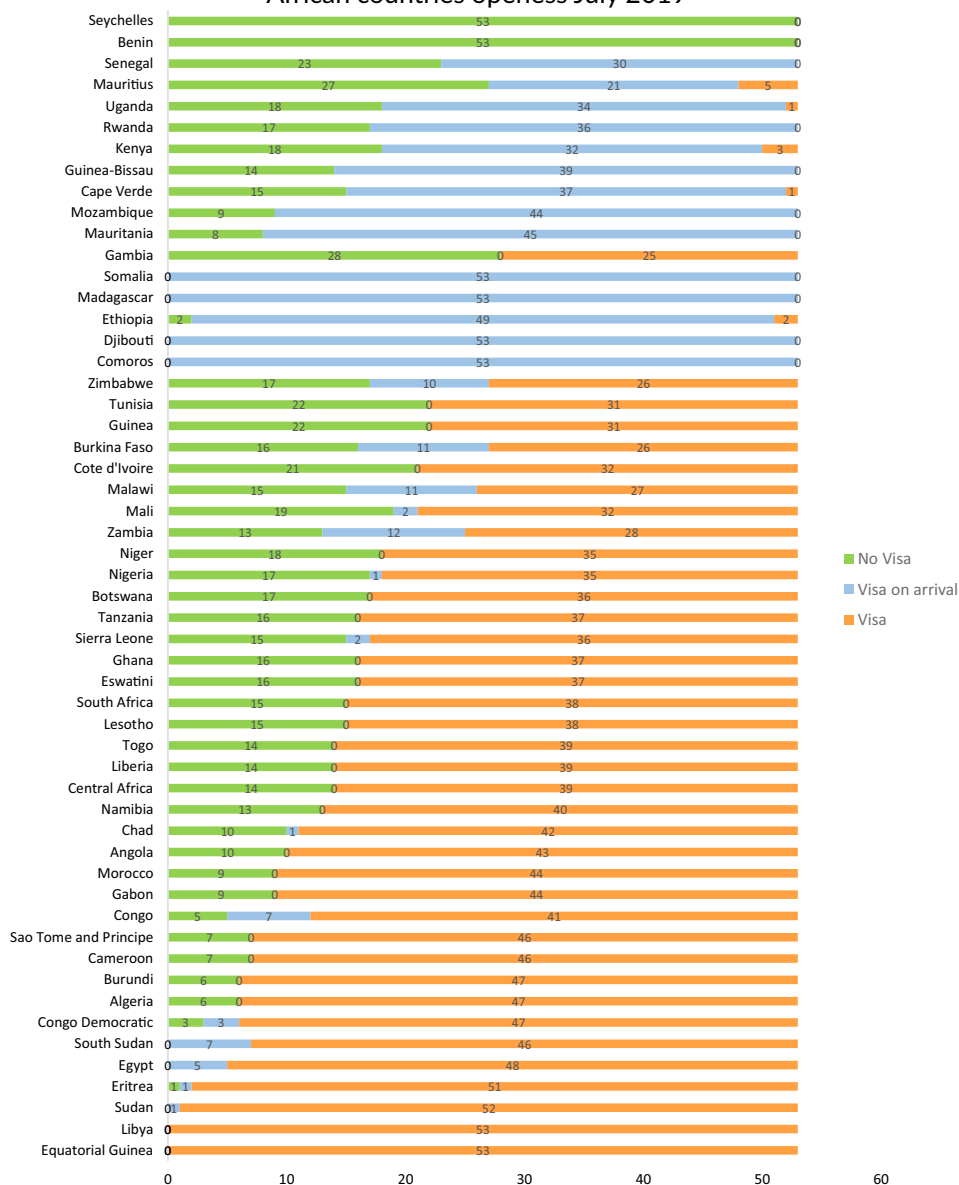
## Percentage of direct connections between regions

	Central Africa	Eastern Africa	Northern	Southern	Western
Central Africa	42%	18%	14%	6%	17%
Eastern Africa		44%	14%	20%	8%
Northern Africa			53%	2%	31%
Southern Africa				26%	2%
Western Africa					40%

Source: AFRAA / OAG

The table above represents the percentage of direct connections existing between all the countries within a region or toward another African region in relation to the total number of possible connections. While intra-connectivity is relatively high within Northern Africa (more than 50%), we can see that connectivity across is poor. The highest rate is between Northern and western Africa with only 31%. Southern Africa is the least connected with other regions, particularly with the Northern (only 2%).

## African countries openness July 2019



In terms of Visa openness within, more and more countries are opening their borders to others African countries. Seychelles and Benin are totally Visa-free. Visa on arrival is now adopted by 21 countries across Africa. However, the openness remains weak as 53% of travels within Africa still require Visa.

## Fuel price

### Negotiated fuel price for AFRAA member airlines index by airports

Negotiated fuel price for Q2 vs Q1 - 2019 prices

Rank	Airport	Price	Index	Growth
1	Bangui	326.030		-1.3%
2	Garoua	296.768		-1.3%
3	Livingstone	236.479		1.2%
4	Bujumbura	231.427		-2.4%
5	Dzaoudzi	227.987		1.9%
6	Ndola	225.533		1.6%
7	Goma	221.257		0.0%
8	Moroni	219.180		0.0%
9	Freetown	216.563		2.3%
10	Kisangani	215.933		0.0%
11	Zanzibar	206.941		5.2%
12	Antananarivo	198.826		3.8%
13	Lilongwe	192.557		-5.6%
14	Monrovia	183.938		4.6%
15	N'Djamena	172.115		-8.5%
16	Addis Ababa	168.481		16.2%
17	Nampula	165.007		-0.3%
18	Mahe Island	158.190		7.2%
19	Maputo	156.554		-0.2%
20	Kigali	153.942		6.9%
21	Libreville	150.939		5.4%
22	Khartoum	146.196		-1.4%
23	Niamey	145.722		-2.2%
24	Lome	138.170		1.2%
25	Luanda	135.259		5.1%
26	Dakar	128.946		7.9%
27	Abidjan	126.904		10.5%
28	Ouagadougou	125.841		-0.3%
29	Accra	125.135		5.4%
30	Bobo	124.858		2.7%
31	Cotonou	124.053		6.5%
32	Yaounde	118.399		4.5%
33	Lagos	117.777		6.9%
34	Douala	116.113		2.4%
35	Johannesburg	115.439		10.0%
36	Mauritius	113.854		6.1%
37	Abuja	106.409		7.7%
38	Bamako	105.019		7.8%
39	Kinshasa	105.008		7.8%
40	Djibouti	104.136		4.2%
41	Cape Town	103.025		5.3%
42	Dar es Salam	100.029		11.5%
43	Nairobi	100.000		-6.0%
44	Kilimanjaro	100.000		11.5%
Average growth rate Q2/Q1				2.49%

Indexes calculated based on August 2018

Rank	Airport	Index
1	Bissau	225.007
2	Brazzaville	175.686
3	Pemba	164.053
4	Victoria Falls	161.429
5	Malabo	157.720
6	Sao Tome	150.061
7	Lusaka	148.524
8	Conakry	146.775
9	Harare	146.339
10	Mogadishu	134.474
11	Mwanza	133.482
12	Walvis Bay	131.083
13	Juba	130.639
14	Enugu	125.774
15	Windhoek	123.879
16	Entebbe	116.615
17	Banjul	113.545
18	Durban	105.940
19	Cairo	100.667
20	Mombasa	100

Source: AFRAA

The most expensive airport in terms of fuel price is Bangui with an index which is 3 times that of Kilimanjaro which is the Lowest. More than 62% of the airports are under the average price index (165), which is a move in the right direction

## ANNEX: Glossary

ACIC: Aviation Charges Intelligence Center

AFDB: African Development Bank

AFRAA: African Airlines Association

FMTK: Freight and Mail Tons Kilometers

ICAO: International Civil Aviation Organization

IATA: International Air Transport Association

MoM: Month on month

RPK: Revenue Passenger Kilometers

WCAF: West and Central Africa

YoY: Year on Year



A large, vertical photograph on the left side of the page shows a man in a dark suit standing in profile, looking out of a large window. The window looks out onto a sunset or sunrise over a body of water, with a bright orange and yellow sky and a calm sea. In the foreground, inside the room, there is a modern lounge chair. A large, green, stylized arrow graphic points from the top left towards the bottom right, partially overlapping the photograph and the text area.

## CONTACTS

**African Airlines Association**

P.O. Box 20116 00200 GPO

Nairobi, Kenya

**GSM:** +254 20 2320144 | +254 20 23 20148

**Cell:** +254 (0)722 20978 | +254 (0)735 337669

**Website:** [www.afraa.org](http://www.afraa.org)