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African airlines' performance updates by AFRAA – July 2021

The African continent continues to witness a significant increase in number of Covid 19 cases. The situation seems to be getting out of control especially in South Africa where daily infection has now exceeded 15,000 cases. Some African governments are resorting to lockdowns again as a way to curb the surging COV2 infections and deaths. Europe is also not out of the woods yet, despite the fact that 50% of the adult population has been vaccinated.

The Delta variant is indeed a threat to the safe and smooth reopening of borders. Globally the number of infected cases reached 190 million out of which 6 million are in Africa. The global recovery rate stands at 97.6% as against 97.1% for Africa.

In the month of July 2021, air passenger traffic is estimated to have reached 42.9% compared to same month in 2019. Similarly, capacity reached 53.7% as of July 2021. Domestic markets across Africa continue to post better performance with demand for passenger travel outperforming intra-Africa and intercontinental at 64% compared to 22.9% for intra-Africa and 13.1% for intercontinental in May. As regards passenger seats offered, domestic, intra-Africa and intercontinental account for 50.2%, 27.3% and 22.5% respectively.

African airlines restart of operations on international routes continued the positive trend observed in the last three months. May 2021 saw a resumption of 62.5% of international routes compared to the pre-Covid period, recovery further improved to 72.7% in June 2021 and 74.7% in the month under review. Some countries have been easing travel restrictions to facilitate the movement of people and tourists across borders. There is however concern that this positive trend may be reversed in subsequent months if the rate of Covid-19 infections continues to soar.

As regards intra - African connectivity, Mauritius remains the most impacted air travel destination, with a reduction of 98% of possible connections to/from African airports compared to February 2020. Connectivity however improved for the North and West African airports.

Generally across Africa, passenger traffic volumes remain low due to the inconsistencies in the messaging regarding border closures, health protocols and continued surge in Covid-19 infections in some countries. The result is significant low in airlines revenues. In the first 6 months of this year, AFRAA estimates cumulative revenue losses of US\$5.0b by African airlines. Full year revenue loss for African airlines for 2021 is forecast at US\$8.4b.

In 2020, African airlines made a cumulatively revenue loss of \$10.21b due to the impacts of Covid-19. This poor performance is a direct threat to the survival of the African aviation industry if the trend continues' to the end of the year. There is a need for governments to heed the call by the African Union, AFCAC, AFRAA and other organisations to provide financial reliefs and support to airlines to avoid their collapse.

Other regulatory Developments related to covid19 situation:

- Moroccan authorities to resume flights to and from the Kingdom under exceptional authorizations.
- Rwanda back into lockdown to curb surging coronavirus cases and deaths. International flights and tourism movements will however continue.

- Elsewhere, the Italian Government published "Technical Regulation" that will compel airlines to allocate seats for minors, disabled persons and passengers with disabilities close to their parents and/or care givers. The regulations came into force on 27 July 2021.
- The EU has recommended the lifting of European travel restrictions for some third-countries. No African country is on the list published.

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About AFRAA

The African Airlines Association, also known by its acronym AFRAA, is a trade association of airlines from the member states of the African Union (AU). Founded in Accra, Ghana, in April 1968, and headquartered in Nairobi, Kenya, AFRAA's mission is to promote, serve African Airlines and champion Africa's aviation industry. The Association envisions a sustainable, interconnected and affordable Air Transport industry in Africa where African Airlines become key players and drivers to African economic development.

AFRAA membership of 46 airlines cuts across the entire continent and includes all the major intercontinental African operators. The Association members represent over 85% of total international traffic carried by African airlines. Follow us on [Facebook](#), [LinkedIn](#), [Twitter](#) and [YouTube](#).