

#057 WHAT IS THE IMPACT OF COVID-19 ON AIR TRANSPORT?

Distribution

Industry

Transport

Air transport is going through one of its biggest crises since the Second World War. The gradual containment of the world, which began in January-February in Asia, continued with Europe from March onwards and continued on its path towards the American continent.

Gradually, many borders have closed, interrupting international flights, airports have stopped their operations, and widespread containment has also stopped domestic flights.

FOR THE AIRLINES, THIS IS A SITUATION OF UNPRECEDENTED MAGNITUDE:



Massive leave plan,



Partial unemployment,



Redundancies are now the order of the day around the world.

The current trend is an average reduction of -50% in the number of seats offered over the first half of 2020.



THE IMPACT ON AIRPORTS IS MAJOR

They would lose \$76 billion in revenue in 2020, or -45% of their income.



CARGO SUFFERED THIS DROP IN CAPACITY DUE TO THE DISAPPEARANCE OF HOLD CAPACITY FOR PASSENGER FLIGHTS

Comparing March 2019 and March 2020, in millions of tonnes of capacity offered, it is -31% of supply linked to the disappearance of commercial flights. April will be much worse.

Faced with this, the Freight activity increased pure cargo flights by +9% over an equivalent period, raising capacity slightly and establishing a trend of -19% between March 2019 and March 2020.

A preliminary analysis estimates the reduction in cargo revenue by -22% in March 2020 compared to the previous year, from \$8.3 billion to \$6.6 billion.

The consequence of this sudden drop in cargo capacity is an increase in tariffs: whether for export or import, some companies have increased their price per kg tenfold on their basic tariffs, not to mention the additional costs charged by handling agents.

(Figures : source OACI)



Didier Granger

Président d'OEMServices

OEMServices, une société fondée par des fabricants d'équipements aéronautiques (OEM), dont Diehl Aerospace, Liebherr Aerospace, Thales Avionics et Safran (ex division Zodiac Aerospace), et se focalise sur l'après-vente du secteur de l'aéronautique.

| About ASLOG

ASLOG brings together more than 400 companies from all sectors, with 2,000 professionals working together to promote and build tomorrow's Supply Chain. ASLOG is a neutral and independent association that addresses Supply Chain issues.

As early as 1972, visionary men sensed that this function would be decisive for all companies. For almost fifty years, professionals in the sector have made ASLOG the reference partner.

ASLOG is the privileged interlocutor of institutions and public authorities on all questions relating to the sector.

| #supplychain4good

The **#SupplyChain4Good** community was created at the initiative of Michelin and ASLOG, as part of the Movin'On ecosystem, in favor of a more sustainable mobility of goods.

#SupplyChain4Good's ambition is to federate the actors who work for Supply Chains that are simultaneously good for the planet, the people and the business performance. The members of this community are «shippers» (industrial and commercial companies), «operators» (transporters, logisticians, shipping companies, ports...), «support functions» (academics, consultants, information systems, regulators, NGOs...).

They cover all economic sectors and all regions of the world. Their work takes place throughout the year and culminates in the annual Movin'On Summit, the world summit on sustainable mobility.