



Foregone economic benefits from Airport Constraints: EU 28

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www.iata.org/economics

To represent, lead and serve the airline industry

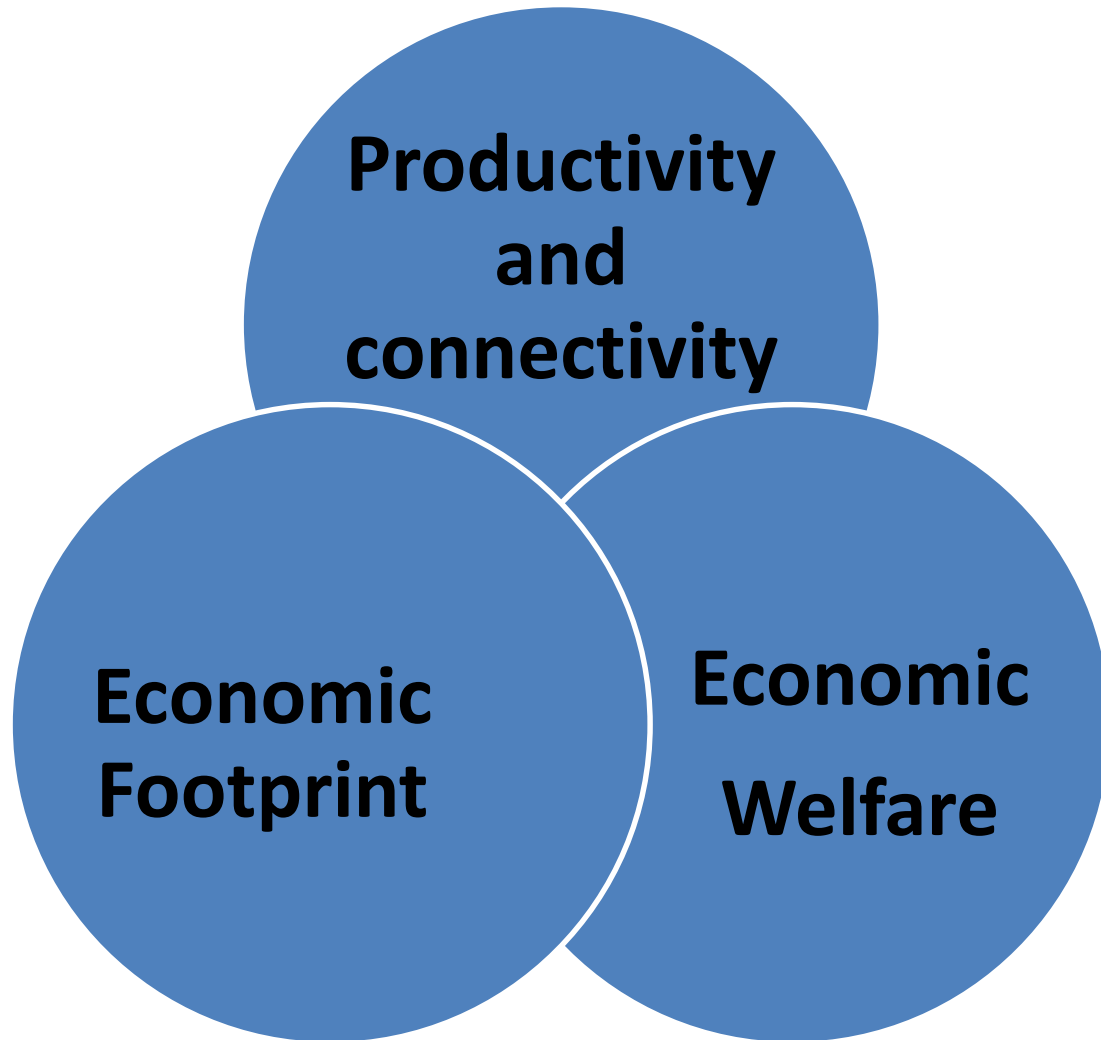


IATA has a long track record

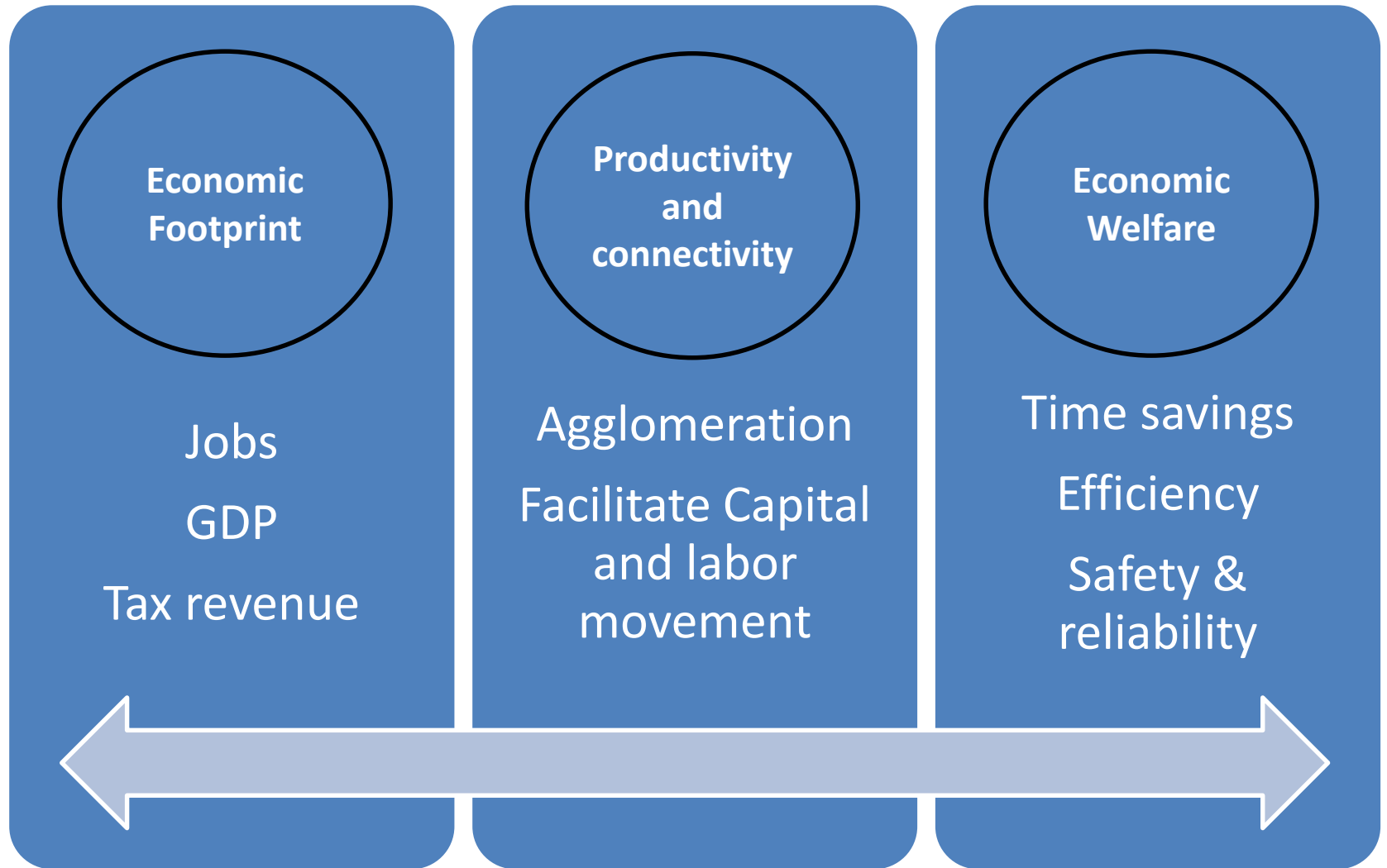


- Economic benefits webpage:
<http://www.iata.org/publications/economics/public-policy/Pages/benefits.aspx>
- Country studies:
<http://www.iata.org/policy/Pages/benefits-country-reports.aspx>

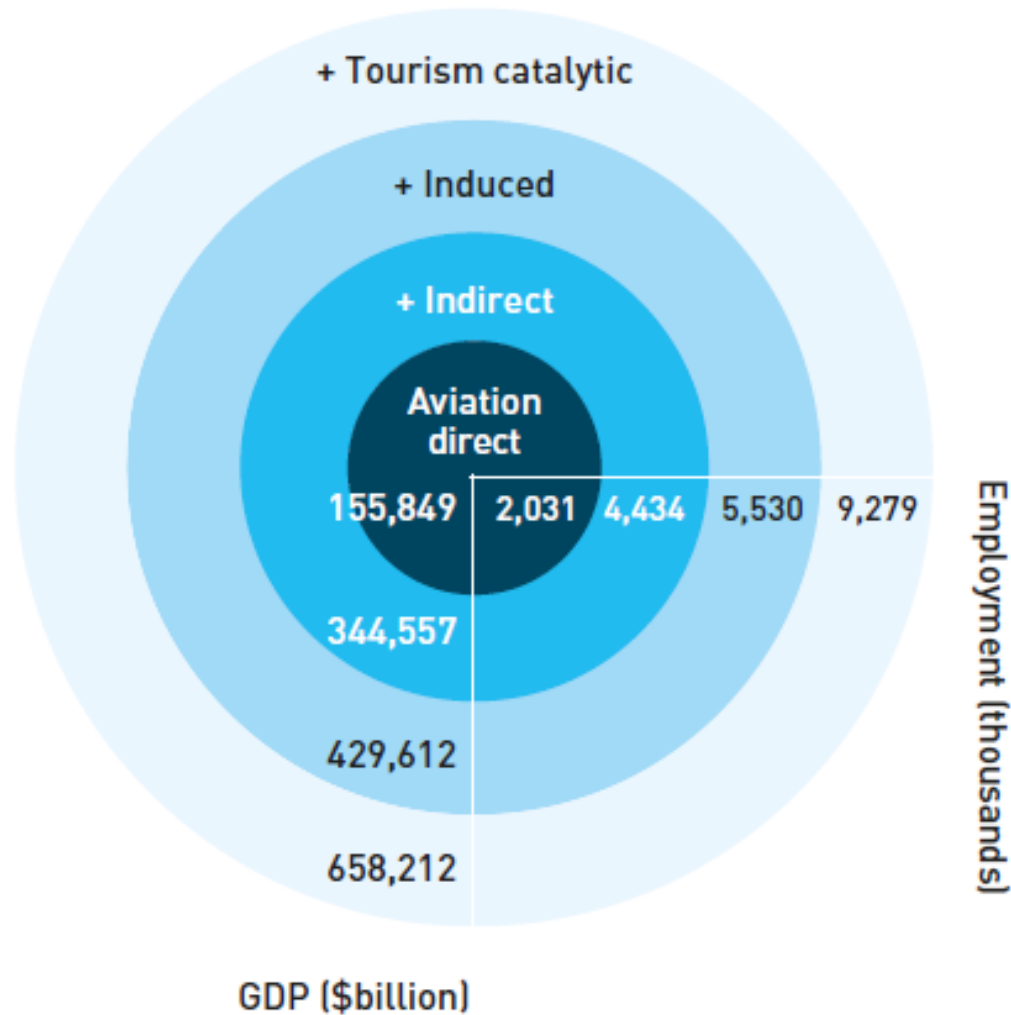
Economic Impacts of Air Transport



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Total jobs and GDP generated by air transport in EU28, 2012



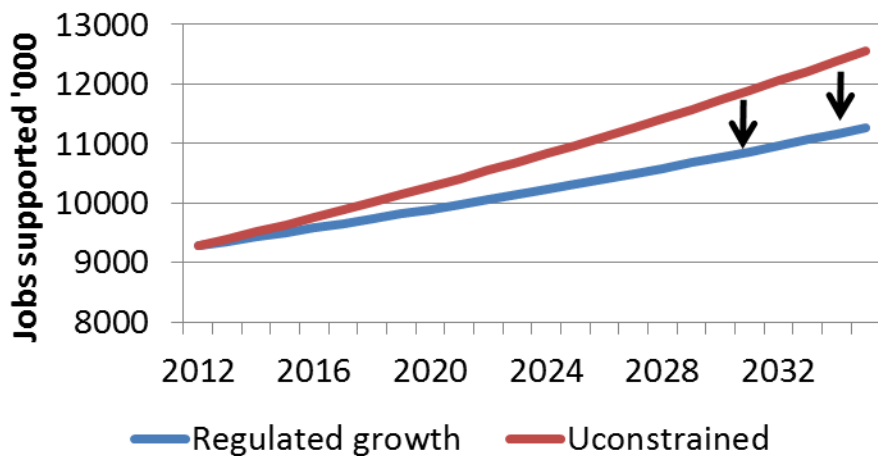
Employment (thousands)

GDP (\$billion)

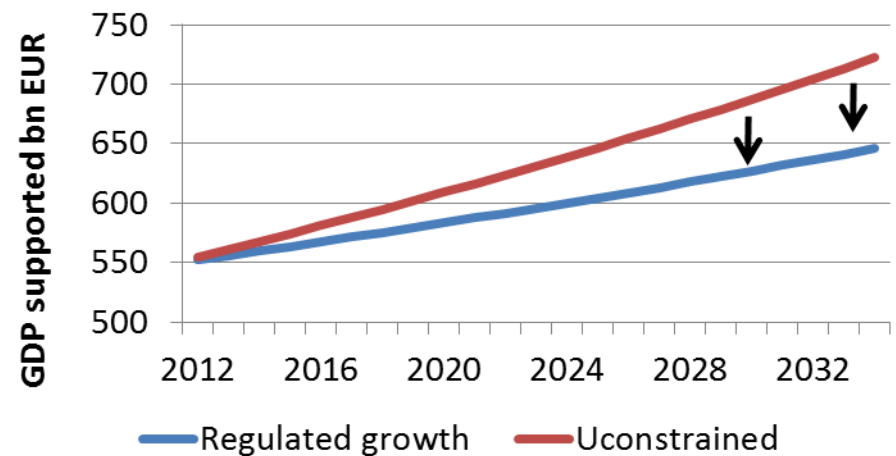
Econ Footprint: Unconstrained vs Regulated Growth

- Aviation will support 818 k fewer jobs, in addition tourism sector jobs 485 k fewer
- Aviation's contribution to GDP lower by 52 bn EUR, in addition tourism 24 bn EUR lower

Aviation supported jobs lower in 2035



Aviation supported GDP lower in 2035



Productivity and Connectivity

- 10% increase in connectivity (relative to GDP) is associated with an increase in economy wide productivity of 0.07% to 0.5%.

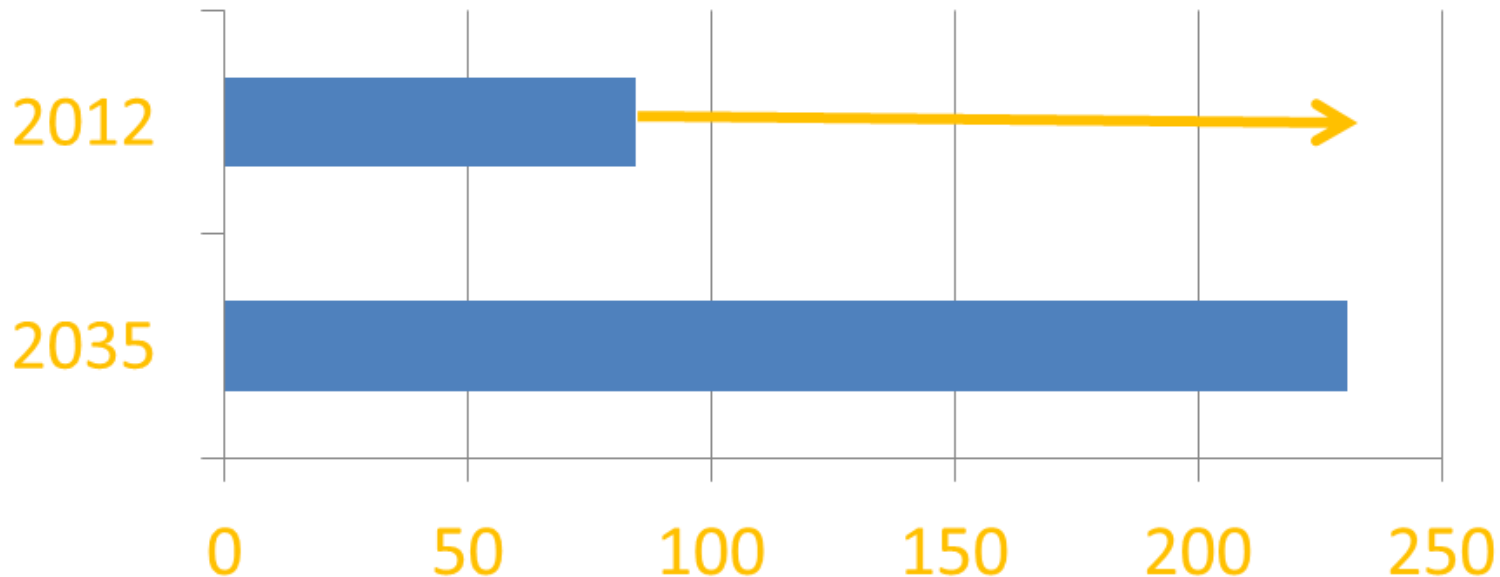
Air connectivity 8% ↓

**Economy wide productivity ↓
by up to EUR 86 bn per year**

Economic Welfare

- Passenger losses in time increase from 4bn EUR in 2012 to 13.4 bn EUR in 2035

More delay and time loss, mn hrs

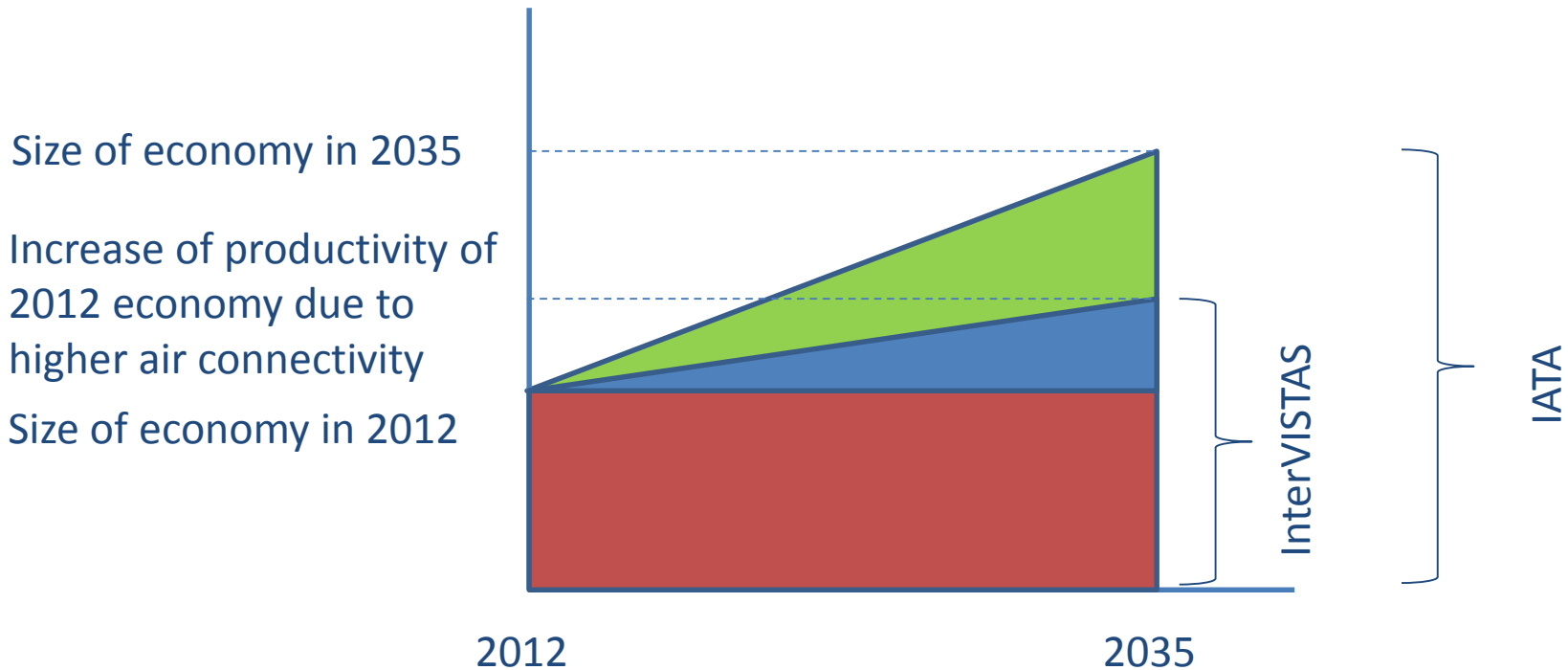


Differences - Economic Footprint

Oxford Economic vs InterVISTAS

	Oxford Economics	InterVISTAS
Definition of air transport	Includes off airport site (e.g. Manufacturing, ANSP)	Excludes activities off site
Source data	Includes survey data from airports, airlines, ANSP, official statistics etc.)	Based on survey data only from airports
Methods for gap filling	Based on different sources and basic extrapolation	More reliant on statistical approaches
Exchange rate	Weaker Euro	Stronger Euro
Other differences	GDP contribution quant based on GVA etc.	GDP contribution based on wages etc.

Productivity and connectivity



- IATA approach calculates loss of productivity from the entire economy of the EU 28 in 2035
- InterVISTAS calculates loss in productivity from the current size of the economy and its forgone productivity improvement from lower air connectivity of EU 28 in 2035