

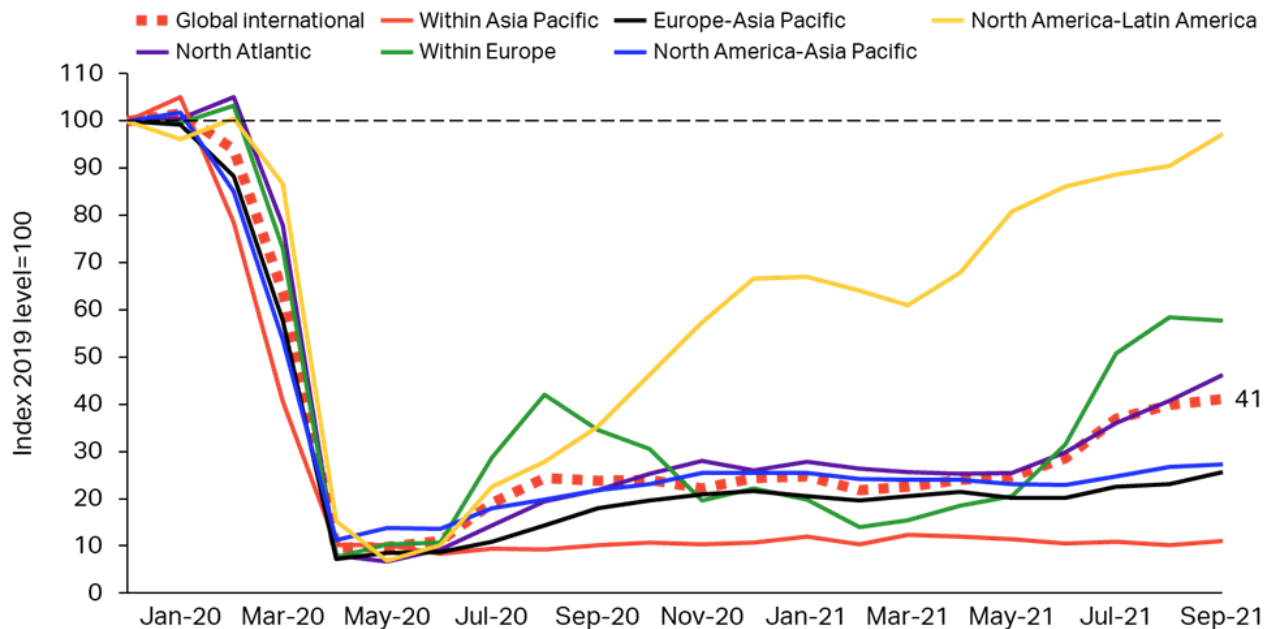


IATA Economics' Chart of the Week

15 October 2021

Regional differences in connectivity levels stifling economic benefits

IATA International Air Connectivity Index for selected route areas, monthly Jan 2020-Sep 2021



IATA Connectivity Index using data from OAG

- Today's chart examines the differences in regional [international air connectivity](#) levels during the pandemic and highlights the urgent need to restore air connectivity to support economic recovery.
- By September 2021, the North America-Latin America routes' international air connectivity was leading the recovery, being almost back to pre-crisis levels, primarily driven by the rapidly increasing US-Mexico international connectivity. This is exceptional among other major routes that have not even recovered 50% of their pre-crisis levels. Intra-Europe showed encouraging signs of international air connectivity recovery during the summer period. This pickup has been supported this year by a relatively strong vaccine rollout, easing of restrictions and the introduction of EU Digital COVID Certificate. The recent rise in air connectivity in the North Atlantic (US-Europe) route is related to more US travellers being allowed to enter Europe during the Northern hemisphere summer. We expect this to continue given the [surge in bookings](#) that the news of the travel restrictions easing in this route next month prompted. In contrast, international air connectivity between countries within Asia Pacific is still at only 11% of its level in 2019. And this is even lower than the limited recovery of long-haul connectivity for Asia Pacific.
- The speedy restoration of international air connectivity will help support the recovery of economic benefits of countries heavily affected by the pandemic. It is particularly vital for regions that are highly dependent on international tourism receipts and trade. [WTTTC](#) shows that the contribution of Travel and Tourism to GDP dropped by 54% in Asia Pacific in 2020. International trade is also affected given ongoing capacity shortages on cargo routes.

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