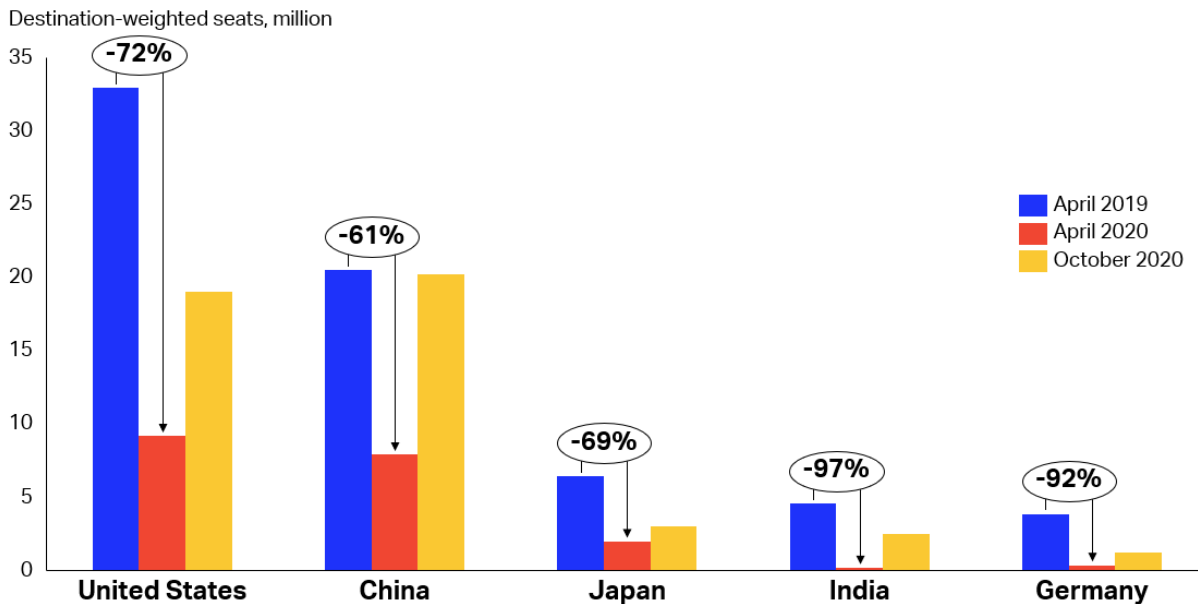




IATA Economics' Chart of the Week

4 December 2020

Restoring air connectivity is a key driver of economic recovery



Source: IATA Economics using data from IATA Statistics and flight data provided under license by FlightRadar 24. All rights reserved.

- The COVID-19 pandemic has decimated over a decade of gains in air connectivity globally. Pre-pandemic, the number of city pairs connected by direct air service had more than doubled over the past two decades, whilst passengers and cargo shippers continued to benefit from reduced cost of air transport. This changed in 2020. Today's chart examines the evolution of air connectivity levels during the pandemic for the five best connected countries in the world, emphasizing the urgent need to restore air connectivity to stimulate economic recovery.
- The IATA air connectivity index measures how well connected a country's cities are to other cities around the world. It is a composite measure reflecting the number of seats flown to various destinations and the economic importance of those destinations, described in detail in the [IATA air connectivity report](#). Air connectivity facilitates global economic growth and prosperity by enabling trade, tourism, investment and other economic flows.
- Among the five best connected countries in the world, connectivity levels declined significantly during the first wave of the pandemic. US connectivity declined by 72%, supported to some extent by ongoing domestic operations. After hitting the lowest point in February, China began to recover reaching near normal connectivity levels in recent months. In Japan the impact of air travel disruption was mitigated in part by the absence of a country-wide ban on domestic travel. In India all domestic flights were suspended at the end of March, leading to a decline in connectivity by 97%. Nationwide lockdowns in Germany during the first wave triggered a virtual halt in operations and a significant reduction in connectivity levels (by 92%). Since then, connectivity levels have been recovering but are still significantly below pre-pandemic levels. Apart from China, countries have a long way to go.
- Governments can help by channelling aid to support the rebuilding of global air connectivity. In doing so, they will stimulate quicker economic recovery, as air connectivity plays a critical role in enabling key economic flows. Systematic testing combined with other measures to reduce the risk of virus transmission while traveling is a viable solution to facilitate the rebuilding of lost connectivity, until a vaccine becomes widely available.

Terms and Conditions for the use of this IATA Economics Report and its contents can be found here: www.iata.org/economics-terms
By using this IATA Economics Report and its contents in any manner, you agree that the IATA Economics Report Terms and Conditions apply to you and agree to abide by them. If you do not accept these Terms and Conditions, do not use this report.

IATA Economics
economics@iata.org