



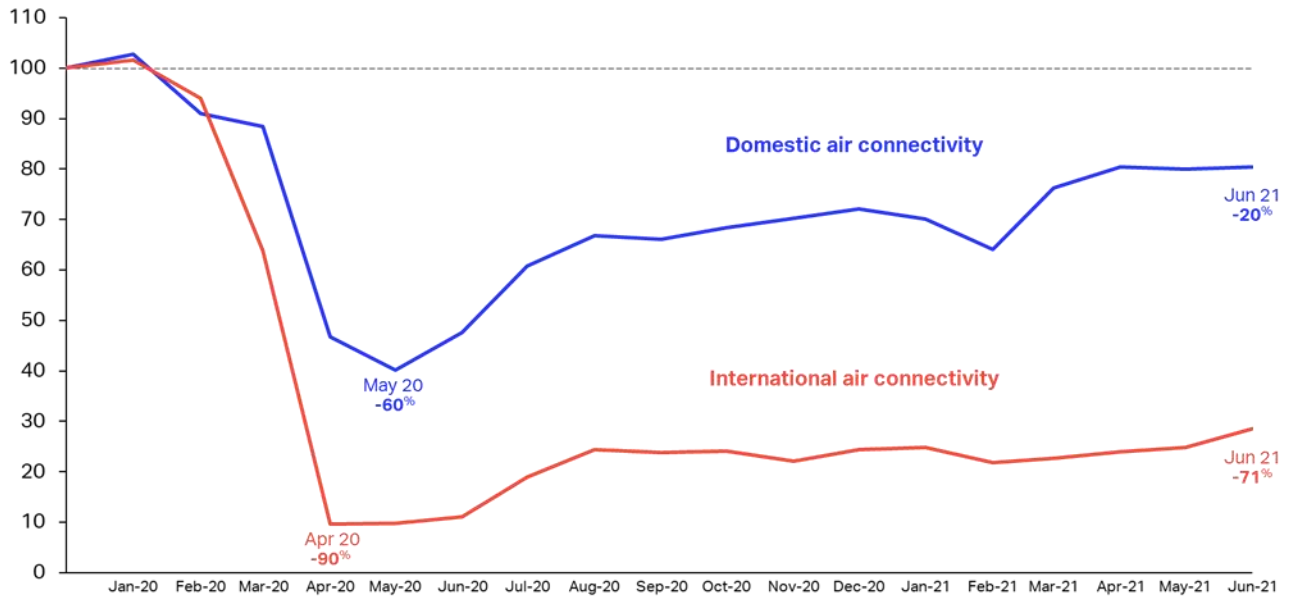
IATA Economics' Chart of the Week

23 July 2021

Restoring international air connectivity key to full economic recovery

IATA Global Air Connectivity Index, monthly Jan 2020-Jun 2021

Index 2019 level=100



IATA Connectivity Index using data from OAG

- Today's chart examines the evolution of domestic and international air connectivity levels during the pandemic and highlights the urgent need to restore international air connectivity to support economic recovery. By June 2021, domestic connectivity has recovered back to 20% below its level at that time in 2019 while international connectivity is still 71% down. Domestic connectivity has recovered 40 percentage points from its May 2020 low point, largely driven by restoration of services in the US, China and Russia. The extent of recovery in international connectivity is less than half of that seen on the domestic side, having been hampered by government-imposed measures restricting international travel.
- The metric used above is the IATA air connectivity index quantifying how well-connected cities are to other cities around the world. It is a composite measure reflecting the number of seats flown to various destinations and the relative importance of those destinations. This approach to measuring air connectivity is described in detail in the [IATA air connectivity report](#).
- Air connectivity facilitates economic growth and prosperity by enabling trade, tourism, investment and other economic flows. The stronger recovery so far in domestic connectivity is helping countries with larger domestic economies strengthen their economic recovery from crisis. However, the weak international connectivity recovery is an impediment for countries more reliant on international tourism receipts and getting high value or perishable goods to international customers. The UNWTO estimates tourism sector losses caused by the drop in international tourist arrivals to have been \$2.4 trillion in GDP in 2020 with a similar loss possible again this year. International trade is also affected given ongoing capacity shortages on cargo routes. This is related to the absence of air freight capacity normally available in the belly of passenger aircraft which is [still down 36%](#) in May 2021 vs. May 2019. The speedy restoration of international air connectivity will help support the recovery of countries heavily affected by the pandemic, including many emerging economies.

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