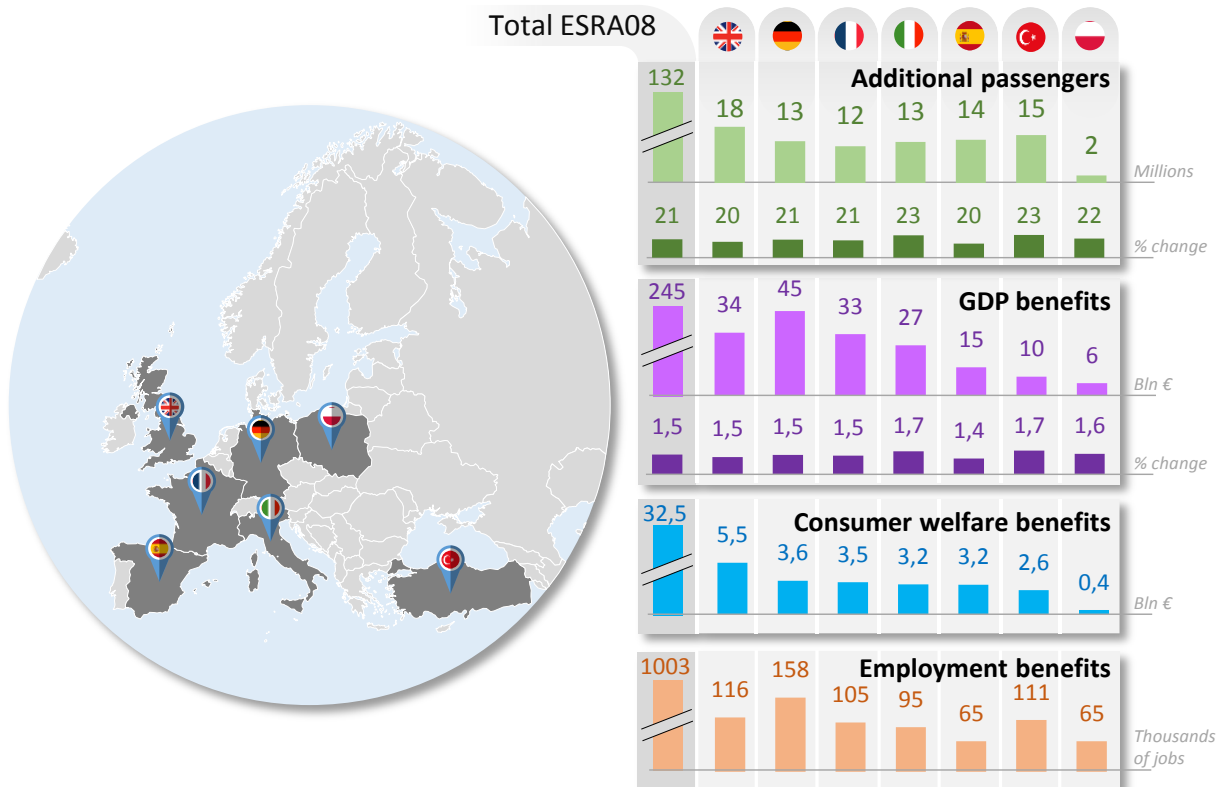




IATA ECONOMICS' CHART OF THE WEEK

8 APRIL 2016

THE BENEFITS OF MODERNIZING EUROPEAN AIRSPACE



Source: SEO

- Today's *Chart of the Week* is taken from a report prepared for IATA by SEO Economics and which was published earlier this week. The study calculates the benefits to European consumers and the wider economy of modernizing European airspace.
- Consumers would benefit from increased connectivity, shorter flight times, reduced delays and lower fares. The study finds that in 2035, flight times would be on average 11 minutes shorter for a typical intra-European flight with reduced departure delay contributing another 8 minute time-saving. Increased capacity in congested areas of airspace would enable a 35% uplift in connections, while the more direct routings and reduced holding would reduce fuel consumption of the average flight.
- The wider economy would benefit through enhanced productivity and increased employment, with total benefits amounting to an additional EUR245bn in 2035 and 1 million extra jobs economy-wide. Importantly, in the context of the European economy's quest for competitiveness and growth, the study estimates that three-quarters of the benefits would accrue through increased productivity.
- Finally, the chart shows that the benefits, which would accrue across multiple dimensions, are primarily concentrated in seven major European markets; UK, Germany, France, Italy, Spain, Turkey and Poland. Collectively, these seven countries account for more than 70% of total benefits.

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