ANNUAL REPORT OF THE SECRETARY GENERAL

“Acing the Roadmap to Sustainable African Aviation”
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Where are we coming from? 2021
WHERE ARE WE COMING FROM? 2021

ECONOMY

Global Economic Growth 2021: 5.7%
African Economic Growth 2021: 6.9%

Average jet fuel price increased to USD 77.8 per barrel, from USD 46.6 in 2020.

Source: IMF / AFDB

Source: IATA
WHERE ARE WE COMING FROM? 2021

TOURISM

✓ WORLDWIDE: 446 Million tourists in 2021

✓ AFRICA: 18.9 Million tourists in 2021
(72.2% drop compared to 2019)

Source: UNWTO
WHERE ARE WE COMING FROM? 2021

Aviation in Africa

- **43 Million passengers** (estimations)
- **1.9%** Of the global aviation industry
- **61%** Passengers LF (estimations)
- **47.6%** Cargo LF
- **3.8 Million** Jobs supported
- **$27 Billion** Contribution to GDP

Passengers carried by African airlines 2010 – 2022

African Airlines Year-on-Year Freight Carried 2012 – 2021

Source: AFRAA – IATA - ATAG
AFRAA 54TH ANNUAL GENERAL ASSEMBLY

AFRICAN AIRLINES PASSENGERS PERFORMANCE

WHERE ARE WE COMING FROM? 2021

AFRICA 1.93%

WORLD 98.07%

Source: IATA
WHERE ARE WE COMING FROM? 2021

AFRICAN AIRLINES CARGO PERFORMANCES

Source: IATA

**World**
- 2020: 57,529
- 2021: 65,600
- Increase: +14%

**Africa**
- 2020: 960
- 2021: 1,260
- Increase: +31.2%

**World Performance:**
- 98.12%

**Africa Performance:**
- 1.88%

**Note:** The data reflects cargo performances in thousand tons for the years 2020 and 2021.
WHERE ARE WE COMING FROM? 2021

AFRICAN AIRLINES FINANCIAL PERFORMANCE

Estimated Revenue loss:
2021: USD 8.6 billion / 49.8% of 2019 revenues
2022: USD 3.5 billion / 20% of 2019 revenues

GLOBAL loss per passenger 2021: USD -19.3
AFRICA loss per passenger 2021: USD -19.3

Source: IATA

AFRAA 54TH ANNUAL GENERAL ASSEMBLY
State of the industry
2022
The Covid pandemic is not over. The number of cases is once again on the rise and is affecting the activities. In some countries, lockdown measures are still ongoing, affecting the Air transport recovery. Newly detected Omicron variants are responsible of a significant part of new infections around the World.

Worldwide, the number of cases has reached 647 million and 12.7 million in Africa. The recovery rate is 98.98% worldwide compared to 98.01% in Africa.
# STATE OF THE INDUSTRY 2022

## THE COVID 19 VACCINATION (NOV 2022)

<table>
<thead>
<tr>
<th></th>
<th>WORLD</th>
<th>AFRICA</th>
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</thead>
<tbody>
<tr>
<td>Total of supply Administered</td>
<td>13 Billion</td>
<td>691 Million</td>
</tr>
<tr>
<td>Vaccine Administered</td>
<td>68.49%</td>
<td>25.56%</td>
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<tr>
<td>(1 Dose/ % of Population)</td>
<td></td>
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<tr>
<td>Vaccination Completed</td>
<td>63.0%</td>
<td>6.13%</td>
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<tr>
<td>(% of Population)</td>
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Source: [ourworldindata.com / CDC AFRICA](http://ourworldindata.com/covid-vaccination-africa)
The Russia – Ukraine war is slowing global economic activity.

The Global economy is now expected to grow by 2.9% in 2022, while earlier projections were around 4.1%.

Source: World Bank
After a contraction in 2020, the GDP of Africa rebounded by 6.9% in 2021.

The prospects for economic growth in Africa are highly uncertain. The effects of the Russian-Ukrainian conflict and related sanctions against Russia could lead to a more significant drop in global production than currently expected.

The GDP growth for 2022 is estimated at 4.1%.
From January to November 2022:

- The capacity (ASKs) reached 75.4% of same period 2019, while the traffic (RPKs) reached 74.7%.
- The average load factor was 60.73%.

- Estimated Revenue loss for 2022: USD 3.5 billion, representing 20% of 2019 revenues.

Source: AFRAA
The percentage of international routes operated by African airlines exceeded the pre-Covid level, in November, representing 102.28%.

Some airlines, particularly in West and North Africa are expanding their network, opening new destinations.
Priorities for 2023 and beyond
01 AIR TRANSPORT SUSTAINABILITY

02 AFRAA 5-YEARS STRATEGIC PLAN
**AIR TRANSPORT SUSTAINABILITY**

**Africa’s marginalization trend, the regional challenge**

- **1980s**
  - African Market ≤ 3% World
  - African carriers’ share 45%
  - Foreign airlines’ share 55%.

- **1990s**
  - African Market ≤ 3% World
  - African carriers’ share 40%
  - Foreign airlines’ share 60%.

- **Y2K To 2010**
  - African Market ≤ 2.5% World
  - African carriers’ share 20%
  - Foreign airlines’ share 80%.

- **2011 to 2019**
  - African Market ≤ 2.5% World
  - African carriers’ share 20%
  - Foreign airlines’ share 80%.
  - A third of African city-pair traffic through hubs outside Africa
  - 8 out of top 10 lucrative routes serviced by foreign carriers
The African Aviation Industry Group (AAIG) and AFRAA organized in June 2022 a Laboratory to revamp aviation and trade sectors in Africa.

The LAB brought together industry experts and stakeholders to develop out-of-the-box solutions geared to stop the marginalization of the aviation sector in Africa, enhance its competitiveness and grow the global market share.

At the conclusion of the Laboratory, stakeholders committed to coordinate efforts on the implementation of the roadmap actions.
AFRAA STRATEGIC OBJECTIVES

- Support safe, secure and reliable air transport in Africa
- Enhance the visibility, reputation and influence of African Airlines
- Sustainable air transport
- Cooperation
- Data intelligence
CONCLUSION
THANK YOU

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