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African airlines' performance updates by AFRAA – March, 2024

Airline Performance:

2024 is definitely the year of recovery for aviation. Airlines operations have exceeded pre-Covid level both in terms of capacity and traffic carried.

The number of seats offered in the region increased by 12.6%, from 14.3 million in March 2019 to 16.1 million in March 2024, thanks to new routes and frequencies added. Over the same period, ASKs also exceeded the level of March 2019 by 7.7%. African carriers accounted for 49.5% of the international capacity and 35.9% of the intercontinental capacity.

AFRAA estimates that passenger traffic carried by African operators in 2024 will be about 98 million. In terms of capacity split between African and non-African operators on both regional and intercontinental routes, AFRAA estimate a 50.7% and 49.3% respectively. A further disaggregation of capacity on only the intercontinental routes reveals a much lower share of 35.7% for Africa as against 64.3% for non-African operators.

Though continent-wide intra-African connectivity exceeded pre-Covid level since December 2022, major hubs like Johannesburg and Casablanca are yet to reach 2019 levels.

Similar to traffic growth, African airlines are also seeing improved revenue performance. AFRAA estimated revenue for January 2024 was US\$ 1.83 billion compared to US\$1.56 billion in November, 2023 indicating a revenue growth of 14.75%.

Global price of Jet A1 continues to fluctuate from week to week. The global average jet A1 price ended the week of 22nd March 2024 up 1.1% at \$109.08/bbl.

Regulatory/Industry Affairs

ATNS in South Africa implemented the revised [Air Traffic Service Charges](#), effective May 1, 2024. These charges were reviewed and approved by the regulator.

A [proposed \\$20 per passenger fee](#) at Kotoka International Airport (KIA) in Accra, Ghana to cover airport maintenance works and baggage belt repairs, without following due process attracted condemnation by operators and the industry. While there is a need for investment in infrastructure to meet growing demand, AFRAA advocates strict adherence by all service providers to the stipulated ICAO principles contained in DOC9082. Following intervention by the parliament of Ghana, levying of the proposed fee has been suspended.

Airplanes Africa Limited's (AAL) has achieved a commendable feat by assembling the first [Skyleader 600 aircraft in Tanzania](#). This could mark the beginning of Africa's venture into aircraft assembly and components manufacture.

Uganda has reaffirmed its commitment to signing the Single African Air Transport Market ([SAATM](#)) solemn commitment. If done, this will bring to 39 the African State that have committed to opening up their markets. Similarly, internal discussions are ongoing in Tanzania on their commitment to SAATM. If the 2 countries join, EAC will boast a big domestic market for air travel. Open skies will boost intra-African connectivity, drive down airfares, and stimulate air traffic and revenue growth across the continent as well as create jobs.

Sierra Leone CAA's Consumer Protection Unit has reached out to her ECOWAS partners in the Consumer Protection industry to harmonise the positions to safeguard the sub-region consumer interest in civil aviation. Striking a balance between protecting passenger rights and ensuring sustainable air services is crucial for a healthy aviation industry.

Ecuador has made positive strides with a new Tourism Law which eliminates currency repatriation tax and to reduce the 5% jet-fuel tax by 1% annually over the next 5 years. The African Continent can emulate this gradual tax reduction model of Ecuador to reduce some of the burdensome taxes that are hampering aviation development on the continent.

ICAO and the Aviation Working Group (AWG) are collaborating to enhance [cross-border aircraft transferability](#) by promoting compliance with the Cape Town Convention. This will improve efficiency and safety in the aircraft leasing and financing sector and AFRAA commends the 2 organisations for the initiative.

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About AFRAA

The African Airlines Association, also known by its acronym AFRAA, is a trade association of airlines from the member states of the African Union (AU). Founded in Accra, Ghana, in April 1968, and headquartered in Nairobi, Kenya, AFRAA's mission is to promote, serve African Airlines and champion Africa's aviation industry. The Association envisions a sustainable, interconnected and affordable Air Transport industry in Africa where African Airlines become key players and drivers to African economic development. AFRAA membership of 54 airlines cuts across the entire continent and includes all the major intercontinental African operators. The Association members represent over 85% of total international traffic carried by African airlines. Follow us on [Facebook](#), [LinkedIn](#), [Twitter](#) and [YouTube](#).