

# Aviation trends for Europe – the airline perspective

46<sup>th</sup> Cyprus Hotel Summit & Exhibition

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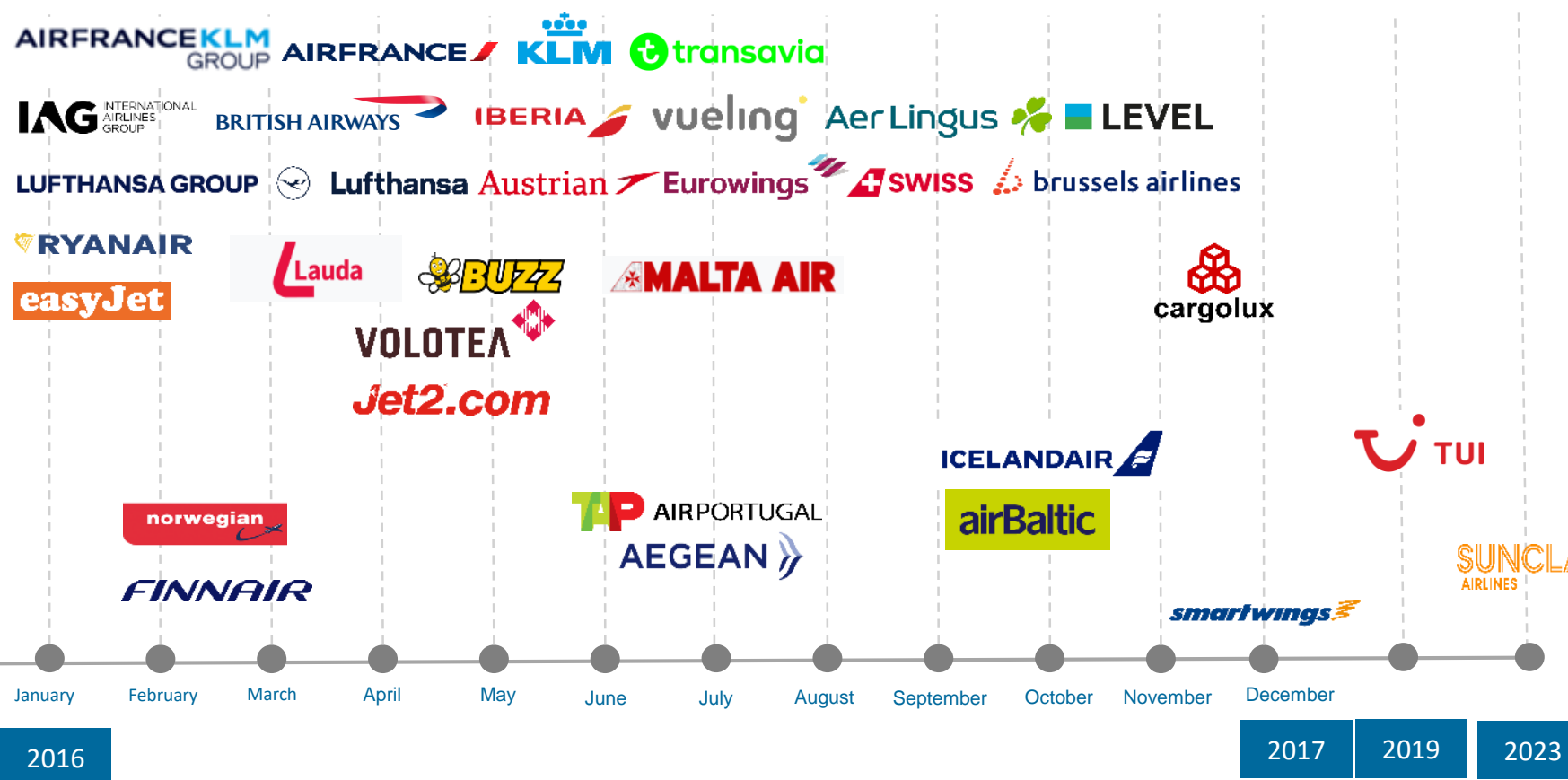
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# Who We Are – 2023 Figures



# Our Advocacy Focus



# Aviation and Tourism

Europe's tourism industry (including aviation) = **10% EU GDP**

→ **15% Cyprus GDP**

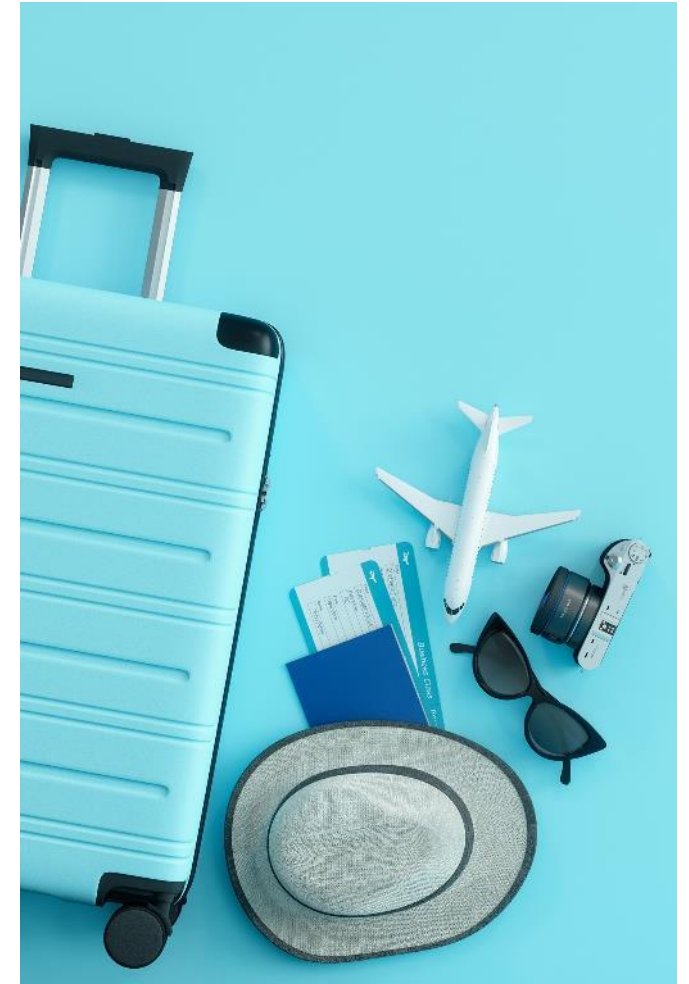
→ EU in 2024: **3 billion nights** – **50%** increase over 15 years

→ over **95%** arrivals in Cyprus are **by air**

Europe's top destination globally = **54.5% of all international tourist arrivals** in 2023 (UN Tourism)

**To remain an attractive destination, EU must remain competitive**

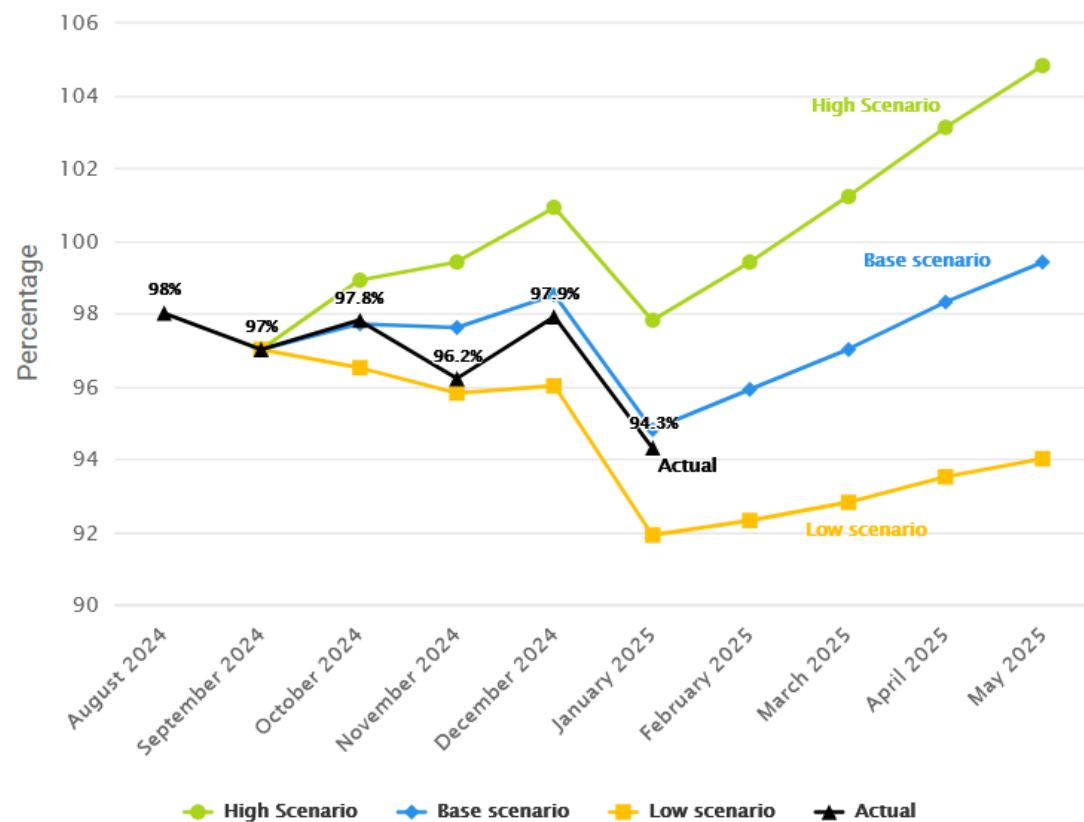
- Albania has fastest growing airport (2024 vs 2019) >> +279%; +47,5% 2024 vs 2023
- Istanbul is fastest growing hub (2024 vs 2019) >> +37% connectivity



# Post COVID recovery – flight #

## Monthly Traffic Forecast

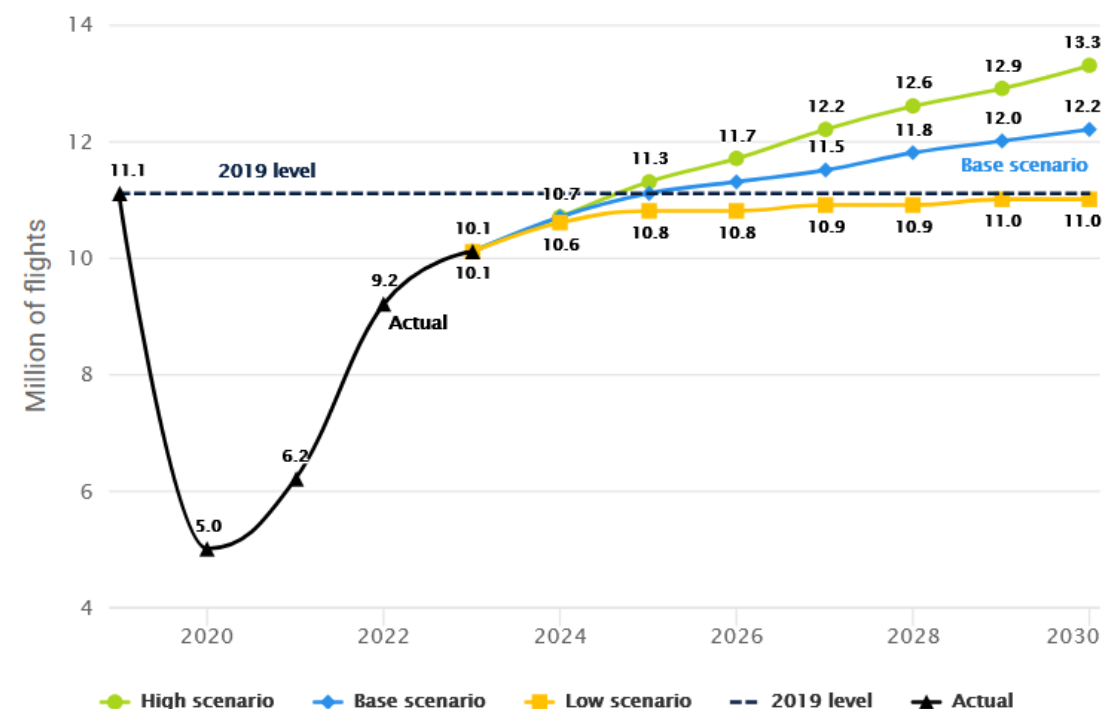
(base year 2019)



Europe = ECAC 44 Member States

## EUROCONTROL 7-year forecast for \*Europe 2024-2030 - Autumn 2024

Actual and future IFR movements, in millions of flights



\* Europe = ECAC 44 Member States

# Post COVID recovery – flight #

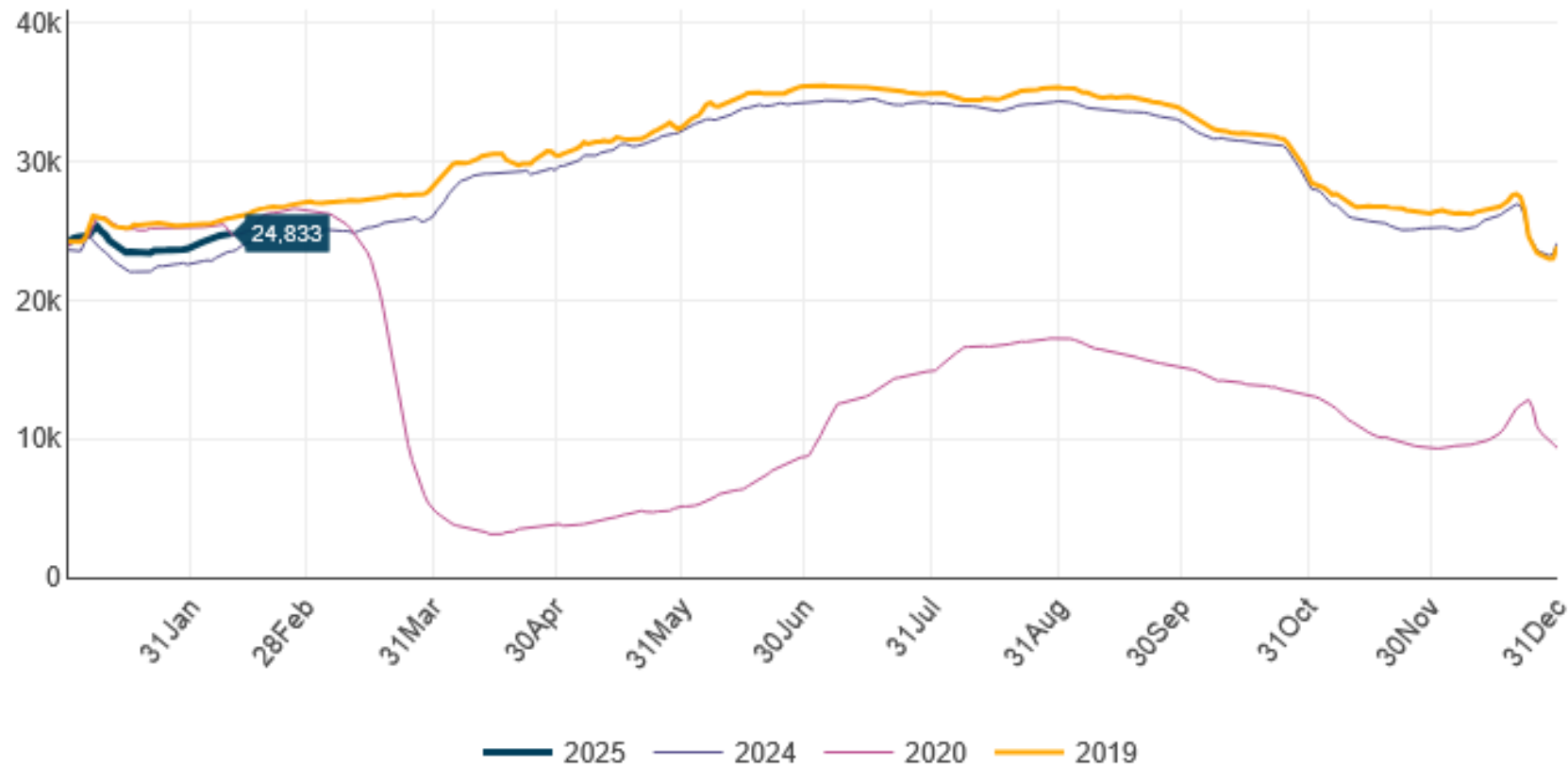
**1 Jan - 10 Feb  
2025**

Total flights  
**992,667**

Avg. daily flights  
**24,211**

Vs prev. year  
**+5%**

Vs 2019  
**-5%**



*Numbers and graph – EUROCONTROL*

# Post COVID recovery – pax #

2024 full year traffic:

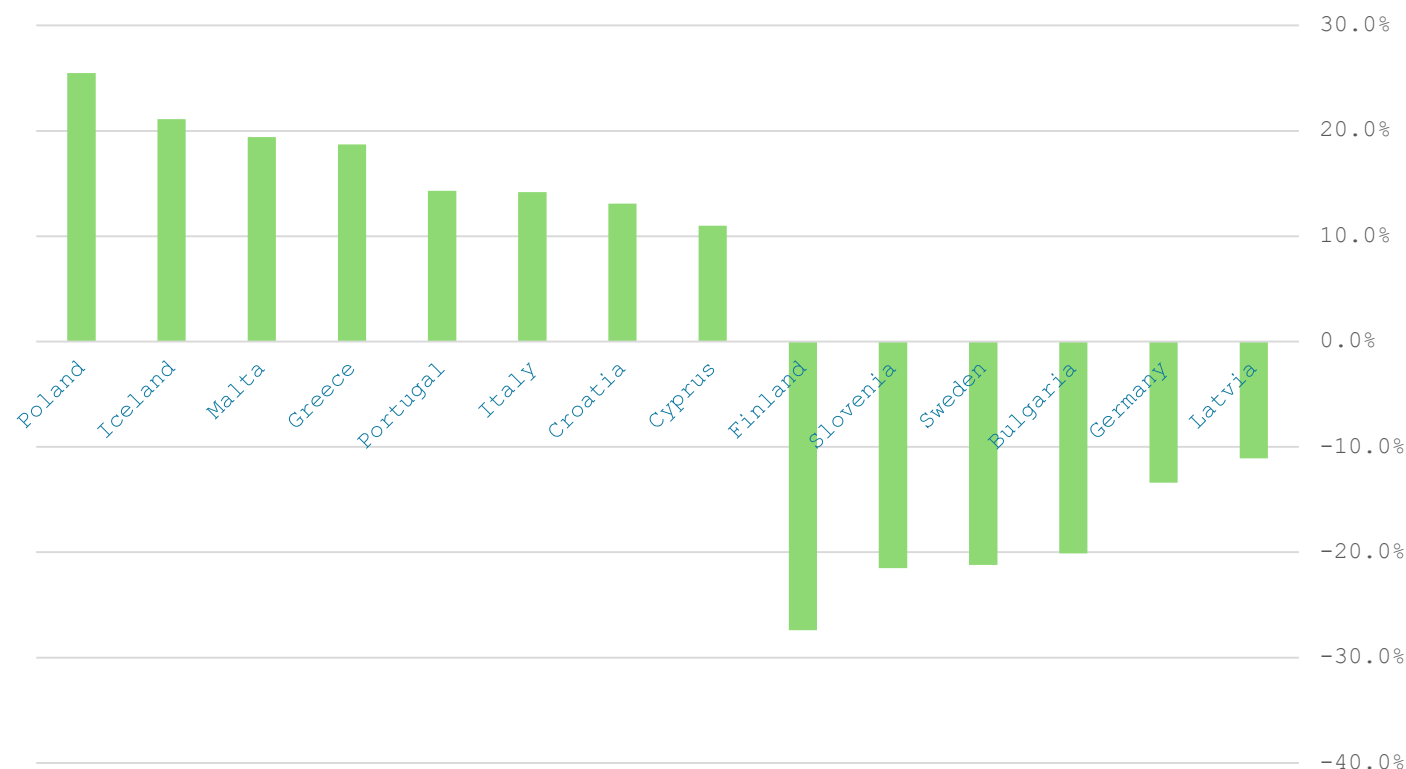
EU+ market increased by  
+7.8% vs. 2023 and 1,8% vs  
2019

Cyprus LCA + PFO = +5,6%  
vs 2023; 9,1% vs 2019

Spreading beyond traditional  
season: Jan-Mar and Sept-Dec  
+7% YOY

\*EU, Norway, Iceland, Switzerland and UK.

Passengers in national markets 2024 vs 2019

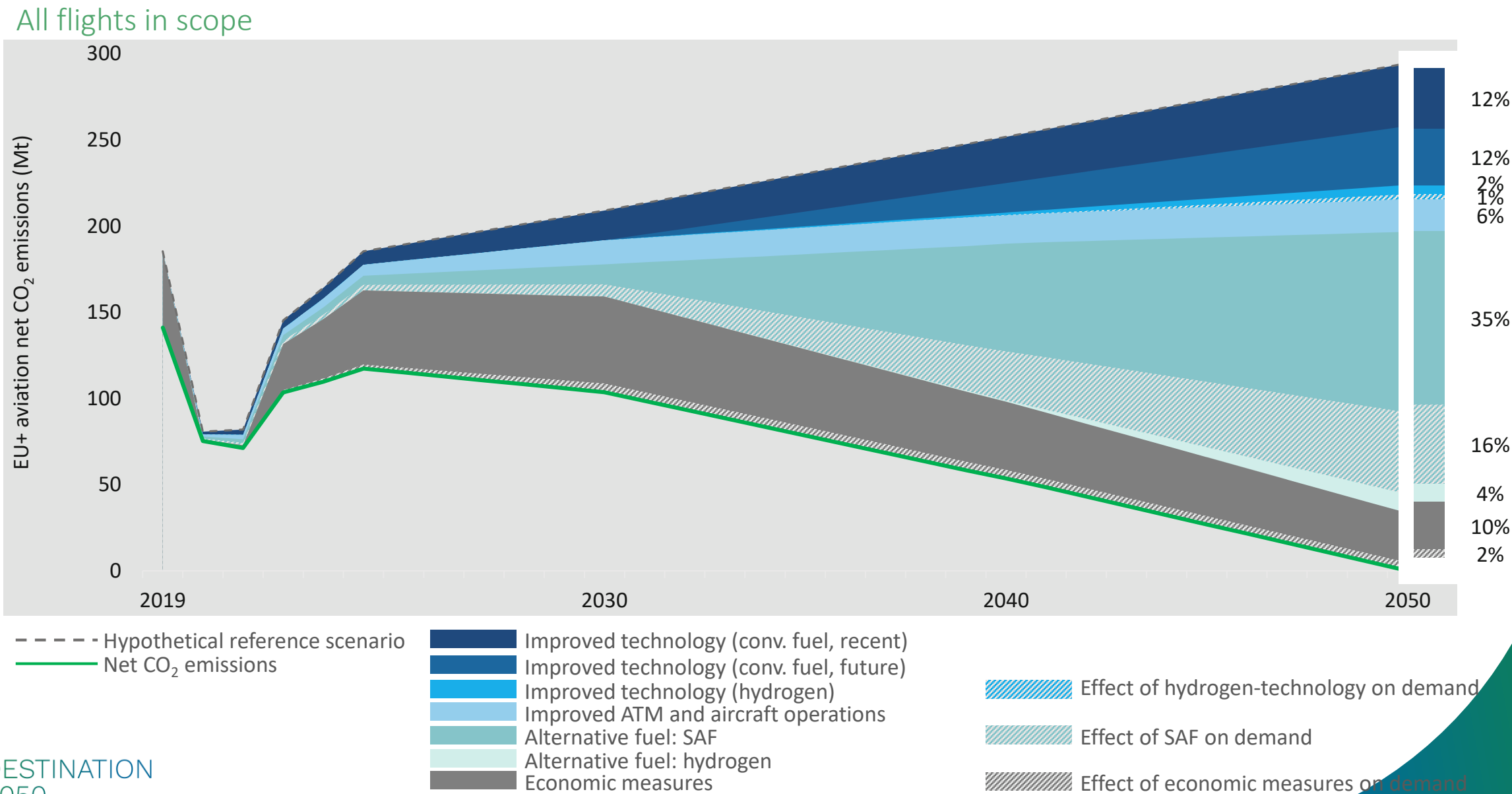


*Numbers ACI Europe, CY Transport Ministry*





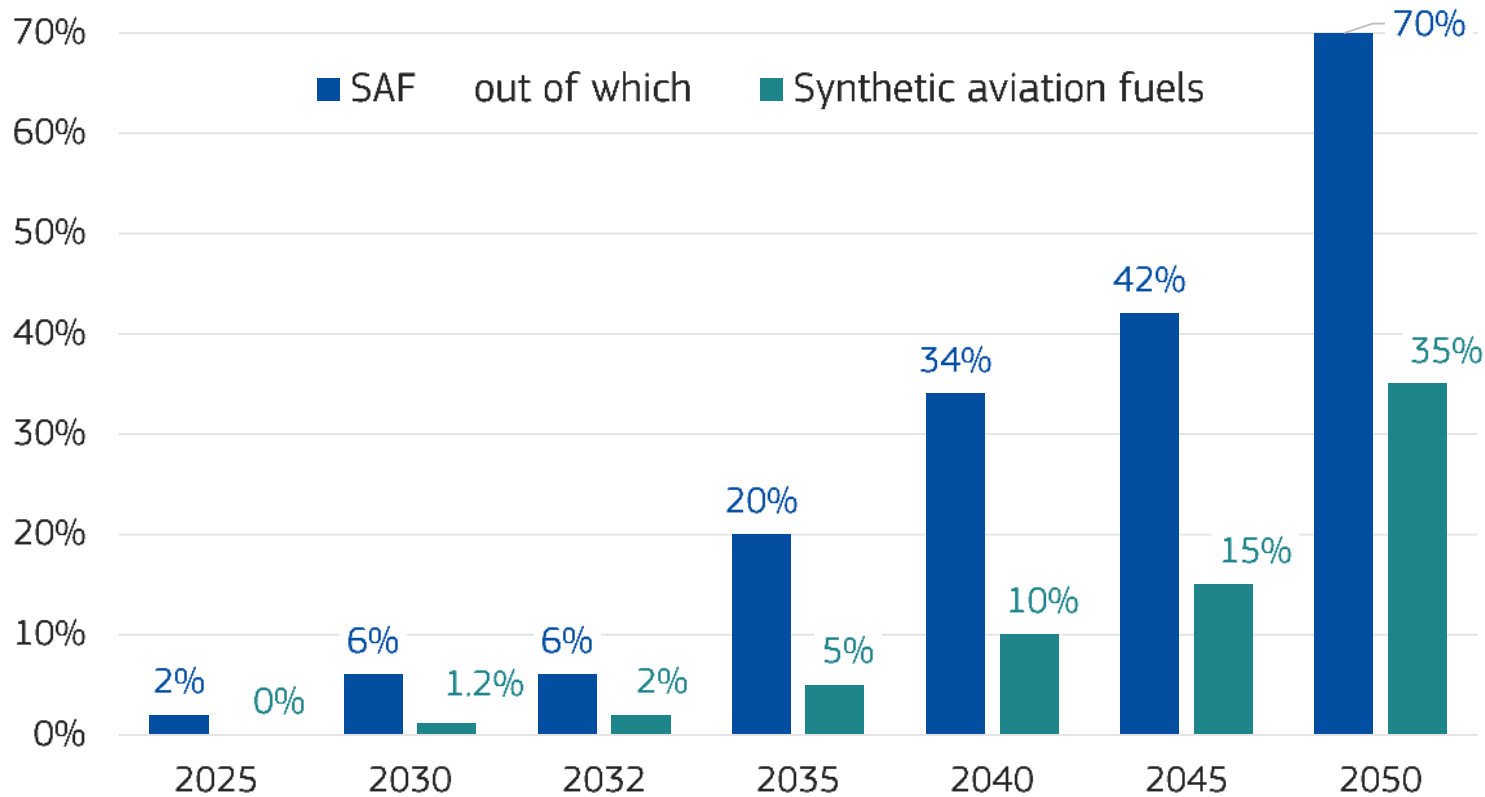
# Decarbonisation Roadmap for European Aviation



# ReFuelEU – Binding shares of SAF



Ambitious **EU-wide binding shares** and realistic ramp-up 2025-2050



© European Commission

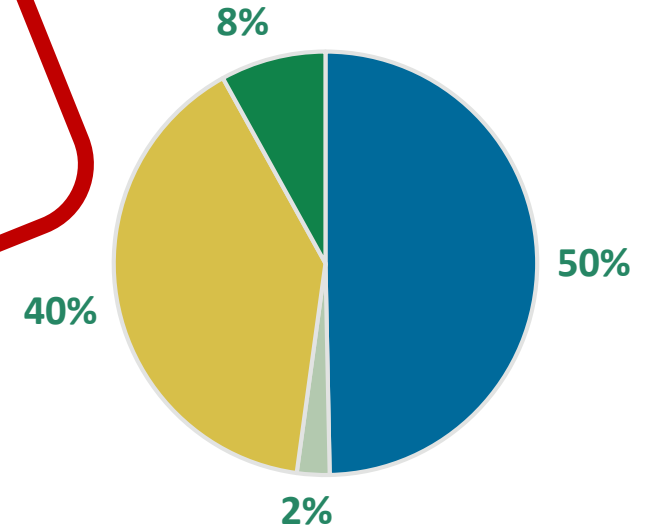
# 2023 estimates - total expenditures add up to 1.888 B€ over 32 years, but include 'business as usual' expenditures

- Improvements in technology
- Improvements in ATM and
- Alternative fuels
- Carbon

TOTAL

1.888 B€

**2025 review: + € 500 B**  
**mainly due to cost of SAF**



These expenditures are more than decarbonisation alone, but span

- › 'Business as usual' (BAU): expenditures that "would occur anyway"
- › "Premium": expenditures directly related to Destination 2050 approx. **820 B€**

# How to Accelerate Affordable SAF

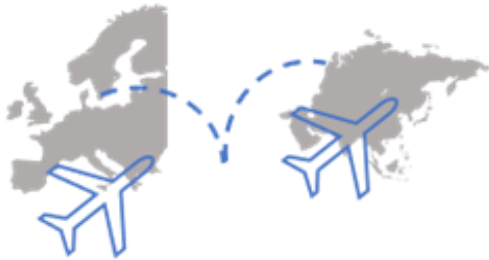
- Tools to cover cost gap between conventional and renewable aviation fuel >> SAF allowances under EU ETS
  - SAF = 3-5x more expensive (quantities available, cost remains high)
  - eSAF = 5-10x more expensive (0 production sites in Europe to date)
- Financial instruments to incentivize SAF production and uptake: contracts for difference >> EU ETS aviation revenue to underwrite risk
- Flexibility – SAF will not be available at all Union airports immediately >> book and claim system



# Taxation



**50% demand shift in PT  
in 2033**



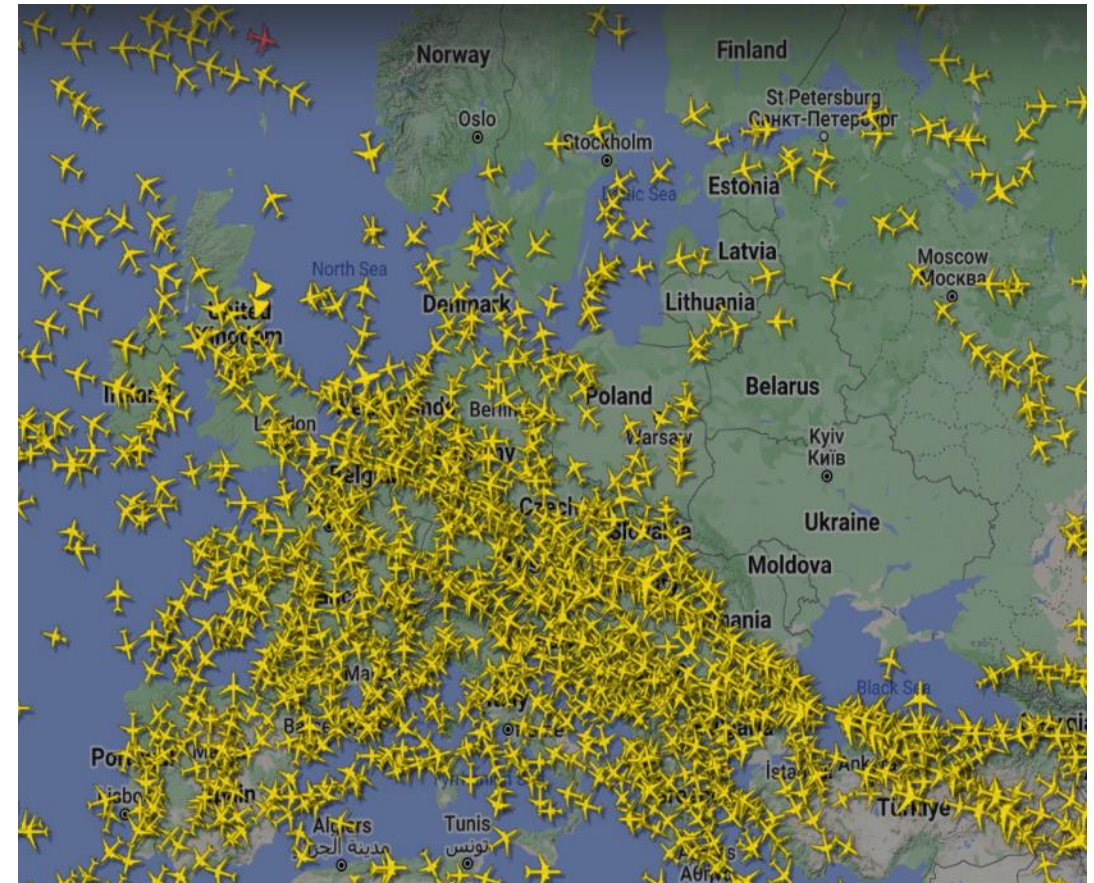
**ETS + ETD will generate  
74% carbon leakage in  
2030**

- Energy Taxation Directive would introduce min tax rate for aviation fuel (both conventional and SAF!)
- Risk of demand shift & carbon leakage
- Polluter already pays:
  - ✓ Airport charges
  - ✓ Air traffic control
  - ✓ Security at airport
  - ✓ EU ETS – emissions trading system
  - ✓ SAF cost: 3-5x more expensive + 'green premium' on kerosene
- Tax revenues should be reinvested back into decarbonizing aviation

# Airspace Capacity

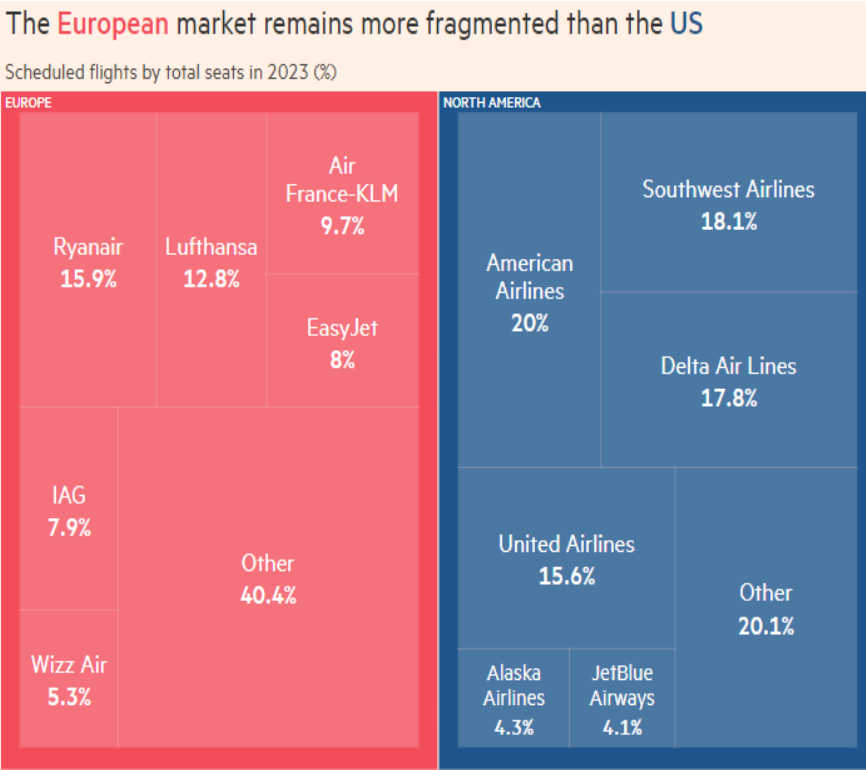
- June-Sept 2024: **11 million minutes** delays; 50,7% increase YOY (+6% traffic YOY, +8.5% route charges YOY)
- Delay breakdown:
  - weather delay + 50.5%,
  - ATC capacity delay + 74.2%,
  - ATC staffing + 8.6%

Inefficient flying impacts environmental performance, fuel efficiency, contrails prevention



Source: Flightradar24, 08 July 2024

# European Airlines Market



Source: [Financial Times](#), October 2023

Airline Group	Flights YTD (16/02)
Ryanair Group	2.418
Lufthansa Group	2.005
Air France/KLM Group	1.677
IAG	1.660
Turkish Airlines Group	1.387
easyJet Group	1.114
Wizz Air Group	811
SAS Group	539
Pegasus	514
Finnair	305
TAP Group	299
Norwegian Group	601
LOT	278
AEGEAN Group	267
Qatar Airways	233
TUI Group	202
Emirates	192
Royal Air Maroc	180
Jet2.com	163
SunExpress	149
NetJets Europe	131
Sky Express	124
Loganair	116
United Airlines	112
Air Algerie	110
Air Cote d'Ivoire	100

Source: Eurocontrol traffic data 16/02/2025



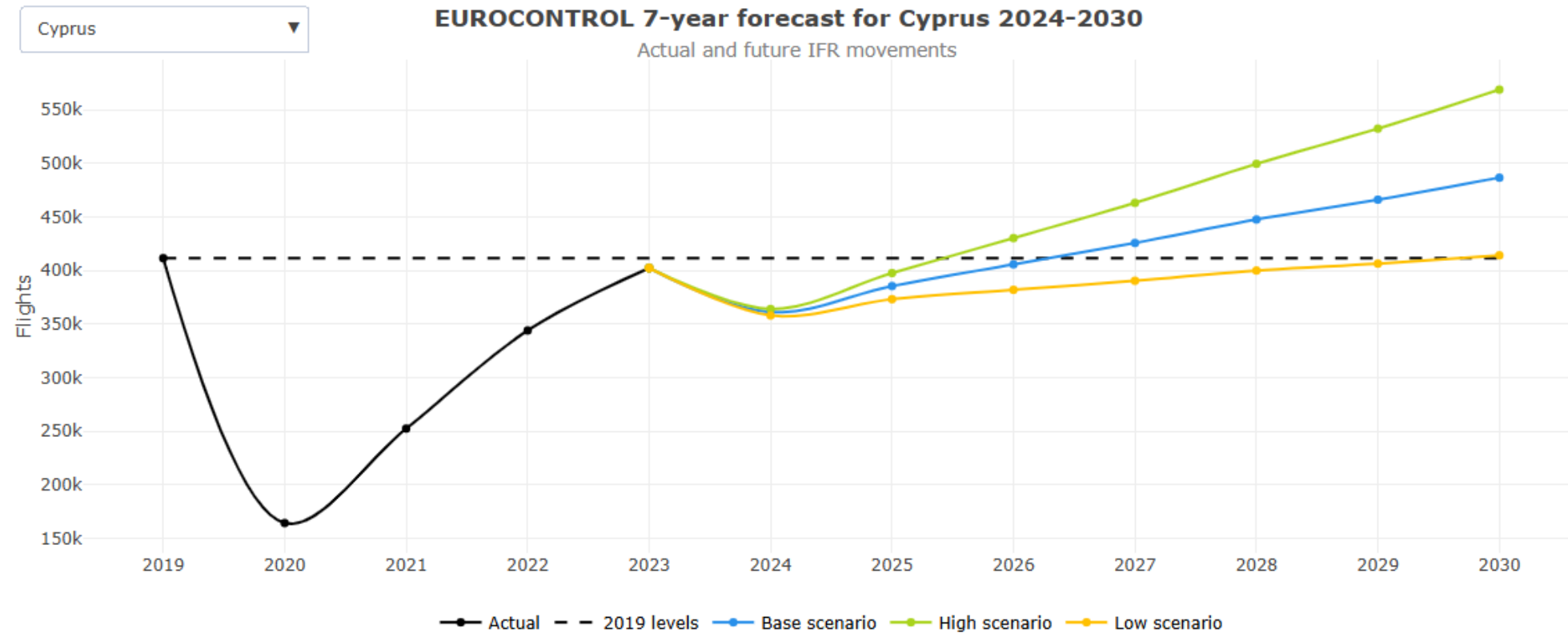


# Sustainable Tourism & Aviation

A large, vibrant blue telescope is positioned in the foreground, pointing towards the horizon. The background consists of a vast, calm blue ocean meeting a clear, light blue sky at a distant horizon line. The overall scene conveys a sense of looking out over a beautiful, sustainable landscape.

**Keep Europe attractive as a destination for business & tourism**

# Looking ahead



**Thank you!**

