



**CHARTING A NEW FRONTIER:
AVIATION CONSUMER
PROTECTION NEEDS
TODAY AND BEYOND**

INTERNATIONAL WEBINAR

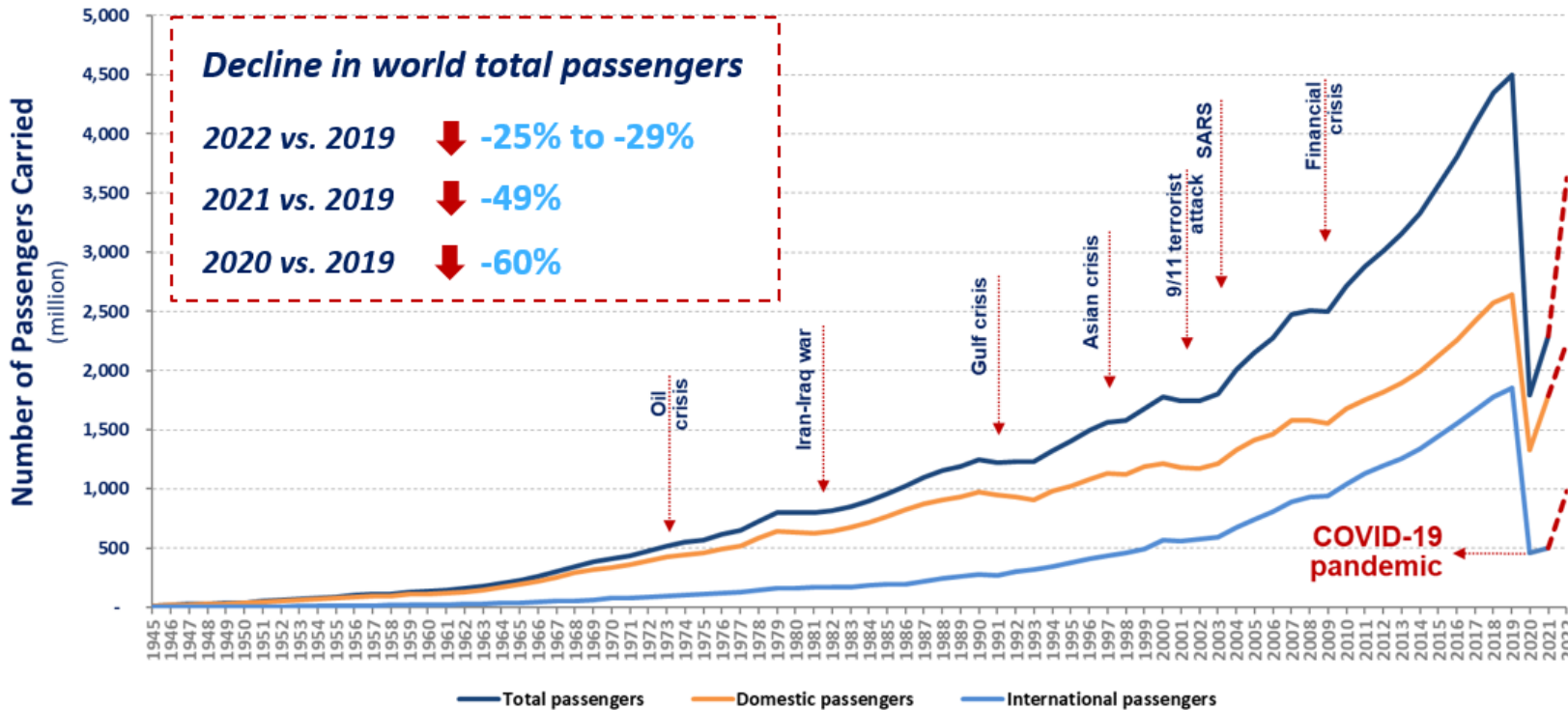
**Outlook of the Aviation Industry
and Trends in Consumer
Protection**

Peter Alawani

Economic Impact of COVID-19 on Aviation and Outlook



World passenger traffic evolution 1945 – 2022



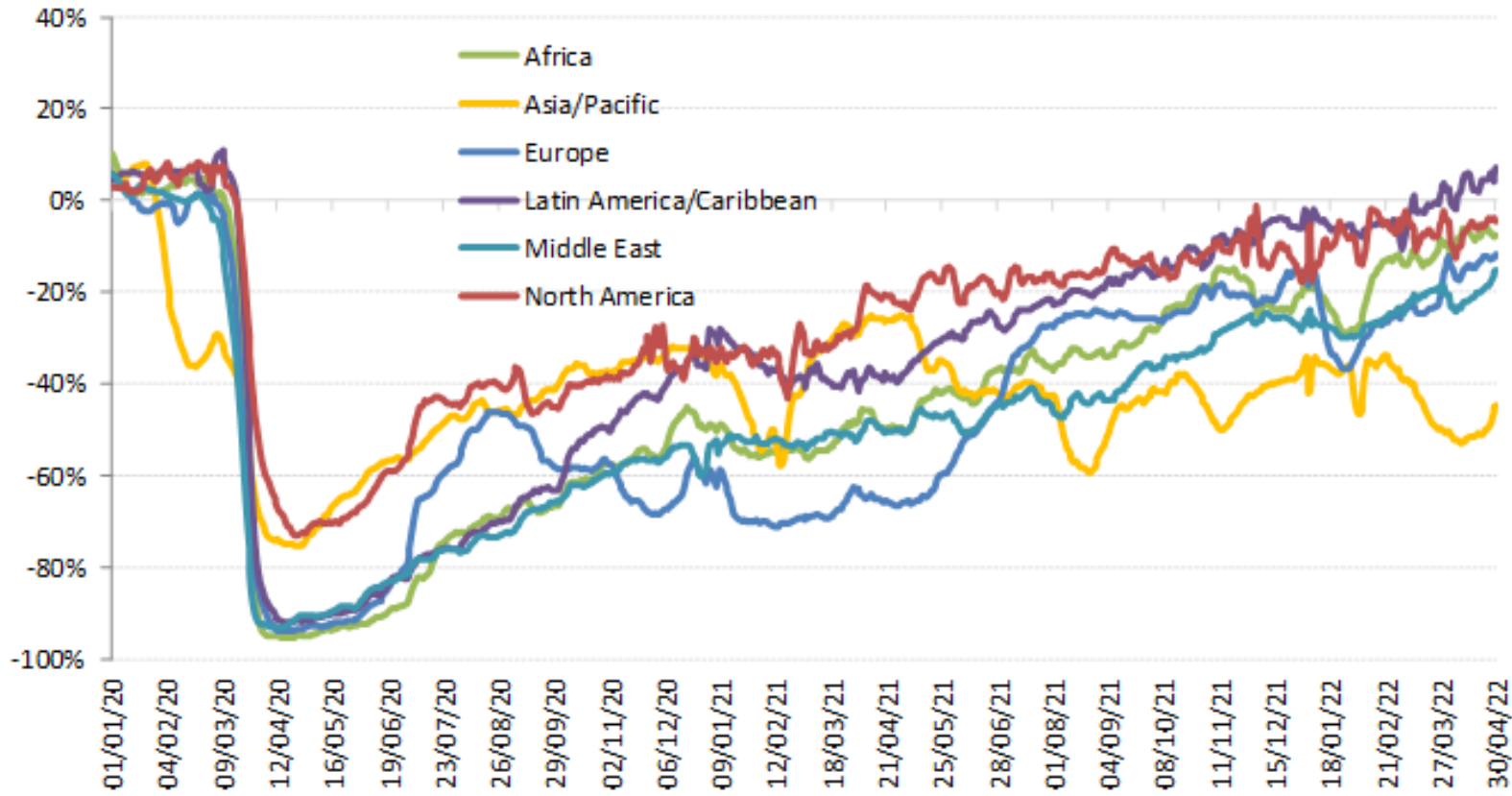
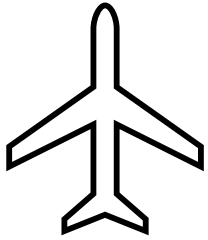
- Drastic reduction in traffic with substantial impact on industry financials
- Slow recovery in passenger traffic, especially international traffic
- Resilience in freight traffic benefiting from the less impacted consumer consumption and trade



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Trend of Air Travel Recovery by Region (compared to 2019 levels)



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Near-term Outlook for the Year 2022 - Global

The COVID-19 impact on world scheduled passenger traffic for year 2022 (estimated results), compared to 2019 levels:

- Overall reduction of **19% to 22% of seats offered by airlines**
- Overall reduction of **1,123 to 1,292 million passengers (-26% to -30%)**
- Approx. **USD 169 to 191 billion loss** of gross passenger operating revenues of airlines

International passenger traffic (2022, vs. 2019)

- Overall reduction of **26% to 30% of seats offered by airlines**
- Overall reduction of **603 to 697 million passengers (-33% to -38%)**
- Approx. **USD 126 to 142 billion loss** of gross operating revenues of airlines

Domestic passenger traffic (2022, vs. 2019)

- Overall reduction of **14% to 16% of seats offered by airlines**
- Overall reduction of **520 to 595 million passengers (-19% to -23%)**
- Approx. **USD 43 to 49 billion loss** of gross operating revenues of airlines



COVID-19 Impact on Air Passengers



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Factors Impacting Air Passengers during COVID-19



Air Passengers



Health Restrictions

Travel Restrictions

Change and Refund Policies for Tickets

Flight Cancellations

Border Restrictions



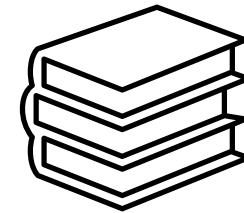
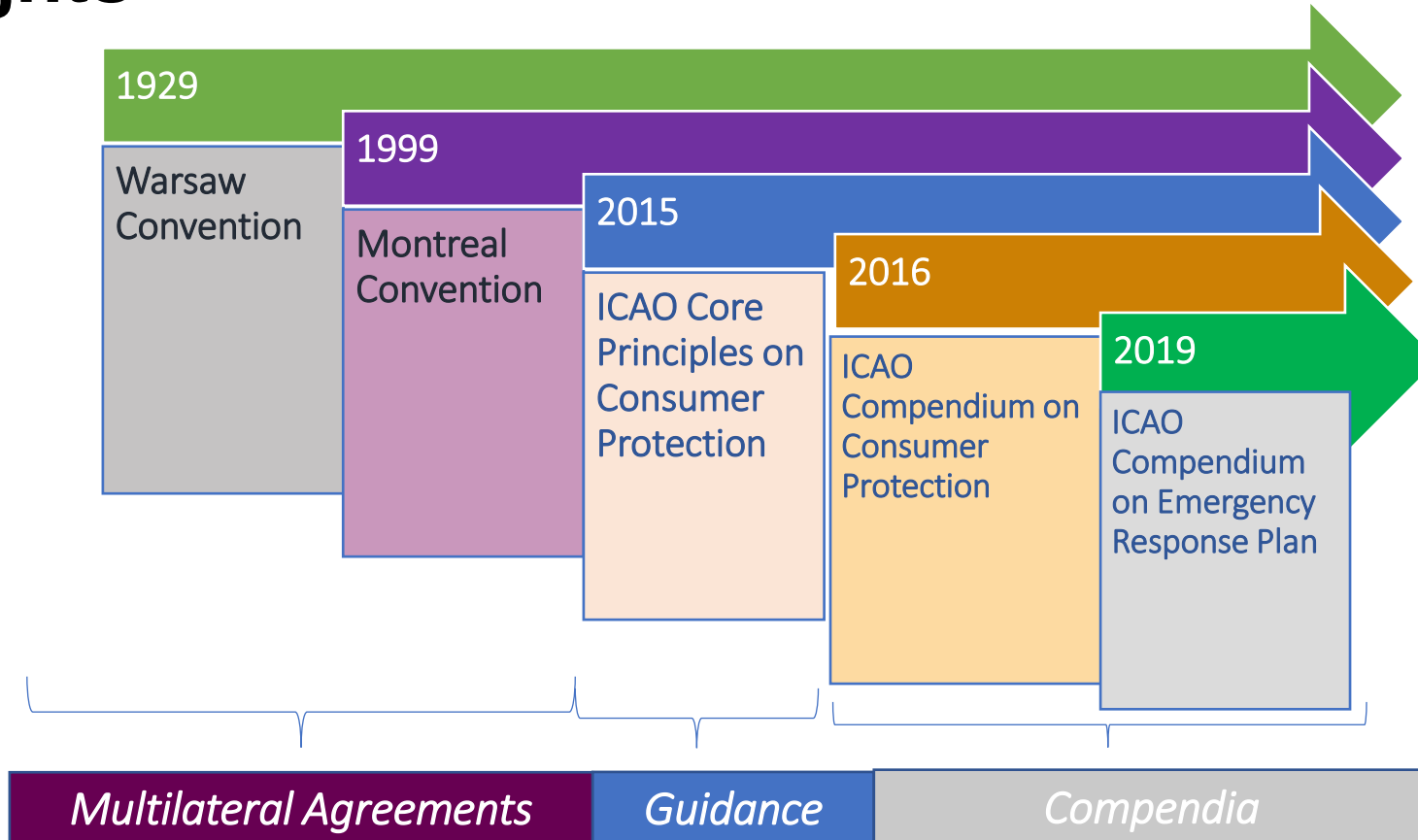
Consumer Protection: Regulatory Trends



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ICAO's Works on Consumer Protection and passenger rights



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ICAO Core Principles on Consumer Protection



Proportionality

Appropriate balance between industry competitiveness and protection of consumers

Consumer Rights

Divided into three parts: before, during or after travel

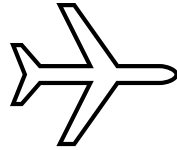
Consistent with international treaties on air carrier liability

- * Warsaw Convention 1929
- * Montreal Convention 1999

Massive Disruptions

Apply to situations of Airport/Airline massive disruptions

ICAO Core Principles on Consumer Protection



For the full text of the ICAO core principles on consumer protection please visit:

<http://www.icao.int/sustainability/Documents/ConsumerProtection/CorePrinciples.pdf>



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Consumer Protection: Global Benchmarking



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ICAO Compendium on Consumer Protection

Objectives



- **Complement** the ICAO Core Principle on Consumer Protection.
- Improve **information exchange** among States.

Scopes



Contains information on **States' national regulatory regimes and those of Regional Organizations** on consumer protection.

Number of States



- **189** States.
- **4** Regional Organizations (AFCAC, ASEAN, EU and LACAC).

Compendium on Emergency Response Planning (ERP)

ICAO and other international organizations have published documents and manuals with guidance and best practices to support States in establishing national emergency and contingency plans in case of aviation system disruptions.

Objectives

- Provides information on holistic consumer protection mechanism in situation of massive airport/airline disruptions.
- Improve information exchange among States.

Lists of information platforms on the Compendium

ICAO Guidance Material on ERP

- ICAO has published specific SARPs to address the necessity and importance of ERP.

Industry Guidance Material on ERP



Compendium on States' best practices in ERP

- **28 States**
- **States are encouraged to update ICAO on information regarding their national emergency and contingency plans in case of aviation system disruptions.**

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