

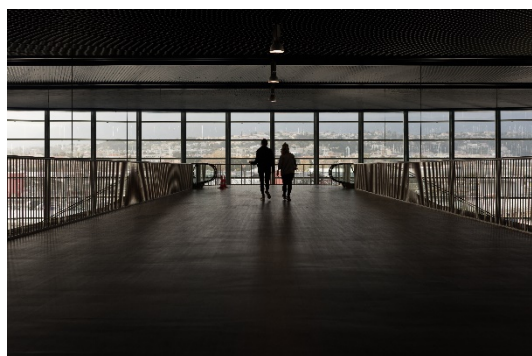
# The future of regional airports: Challenges and opportunities

## SUMMARY

Regional airports are an important part of the aviation system in the European Union (EU). They are engines of socio-economic development and improve accessibility to certain locations, in particular those that are remote or not well served by other forms of transportation. They also have a vital role in terms of economic and social cohesion, stimulating tourism and employment, as well as facilitating access to essential services. In addition, they can help to reduce congestion at major hub airports.

The Covid-19 pandemic has hit regional airports hard, especially those more dependent on passenger traffic, which has been more severely hit than cargo traffic. The situation is so difficult that without government support, many regional airports, which serve local communities, face the risk of insolvency. Meanwhile, the pandemic is putting airports under pressure to become more digital. Moreover, a greater focus on tackling climate change is driving various projects to make airports more sustainable. The recovery from the crisis is likely to take several years. It will depend on several factors, such as the duration and magnitude of the crisis, pace of vaccination and consumer confidence. The speed with which the economy recovers will also affect how long the recovery of air travel will take. All this requires support.

The EU has taken steps to ensure that Member States can make full use of the flexibility allowed under State aid rules, to provide regional airports with support to overcome this unprecedented crisis. Since March 2020, the European Commission has approved numerous State aid schemes from which regional airports can benefit. The EU can also support airports through its Recovery and Resilience Facility, which aims at making Europe more sustainable, resilient and better prepared for the challenges and opportunities of the green and digital transitions.



### In this Briefing

- Impact of the coronavirus pandemic on EU airports
- Focus on sustainability
- Restoring public confidence
- Accelerating digitalisation
- Support provided to regional airports during the coronavirus pandemic
- Path to recovery

*This Briefing has been drafted at the request of a member of the European Committee of the Regions, in the framework of the cooperation agreement between the European Parliament and the Committee.*

## Background

[Regional airports](#) are a vital part of the aviation infrastructure in the EU. They are engines of local development and allow accessibility to certain locations, in particular those that are remote or not well served by other forms of transportation. They are enablers of free movement of people, goods and services, as well as of social and territorial cohesion. Furthermore, regional airports stimulate incoming tourism and employment, as well as facilitate access to essential services. They can also help to reduce congestion at major hub airports.

There is no commonly agreed definition for the term 'regional airport'. The [Airport Council International \(ACI\) Europe](#) considers (for the purposes of its regional airports' forum) an airport as regional when 'it is intended to serve short and medium range routes and it is intended to serve point to point destinations'. For the purposes of its 2012 [resolution](#), the European Parliament description is 'a non-hub airport whose principal catchment area is not a capital city'. At the same time, the Parliament called on the European Commission to set common criteria in order to facilitate a proper definition of a 'regional airport'. Others have defined regional airports by the number of passengers carried per year, e.g. [Lufthansa Consulting](#) considers airports with up to five million passengers per year as regional airports. As seen in Table 1, the majority of airports in the EU carry up to five million passengers per year. When using the [ACI Europe](#) definition of 'regional airport', regional airports served 724 destinations, 209 airlines and 14 600 routes in the EU in 2017.

Table 1 – Number of airports by number of passengers carried<sup>1</sup> per year (EU-28)

	2015	2016	2017	2018
More than 10 million	38	41	44	44
5 to 10 million	27	28	33	37
1 to 5 million	94	95	94	94
500 000 to 1 million	35	29	29	27
100 000 to 500 000	100	102	93	95
15 000 to 100 000	34	34	32	33

Data source: European Commission [Statistical Pocketbooks](#) 2020, 2019, 2018 and 2017.

As a result of the liberalisation of the air transport market in the EU, the demand for [regional airports](#), which are often far from metropolitan areas, has expanded significantly. Initially the aim of the liberalisation of the air transport market was to increase competition. This caused an increasing demand for take-off and landing slots at airports. As established major airports were not able to respond to this increased demand, several regional airports (some of them formerly military airports) expanded. As seen in the ACI Europe [report](#) on European regional airports, between 2005 and 2017, the number of flights (direct connectivity) at regional airports grew twice as fast (+39.1 %) as at major hub airports in Europe (+19.7 %). When looking further back in time, the overall traffic growth in regional airports is even more significant: between 1993 and 2015, air traffic at regional airports in Europe increased by +173 %. Many regional airports became the main airport for low-cost airlines, as the latter often prefer to use regional airports where airport fees are lower, turn-round times shorter and capacity higher, due to low traffic congestion, although increasingly [low-cost airlines](#) also establish themselves in major airports.

The expansion of low-cost airlines and regional airports has increased competition and led to lower fares, increased frequencies and more destinations served. A larger proportion of the population

now has access to air transport. This not only drives tourism, but is also a catalyst for economic growth. Proximity to an airport is one of the factors attracting new companies.

However, the expansion of low-cost airlines and regional airports has also caused complaints about noise pollution, land use, climate change and air pollution. Many [regional airports](#) struggle with dependency on a single, or very few airlines, which can exploit their position by making more and more demands on the airport concerned and on local and/or regional authorities, inter alia with regard to airport charges and aviation safety levies. Furthermore, many regional airports struggle to become profitable and this problem has only worsened in the Covid-19 crisis. This has also raised the question of how much and under what conditions they could receive State aid.

## Impact of the coronavirus pandemic on EU airports

The Covid-19 [pandemic](#) has had a dramatic impact on the aviation sector as a whole, but the effect is especially strong for smaller regional airports in the EU. The disruption has been greatest on passenger traffic. [ACI Europe](#) reports that EU airports lost 1.32 billion passengers in 2020 (-73 %) and Europe's airports lost 1.72 passengers in 2020 (-70.4 %). This brought EU airports back to the passenger traffic levels seen in 1995. When counting the number of flights, the decrease was a slightly less. According to [Eurocontrol](#), 5 million flights were operated in Europe in 2020, compared to 11.1 million flights in 2019 (-55 %). The decrease in passenger numbers is higher, as flights that took place in 2020 were typically half full, at best.

In some smaller regional airports, heavily dependent on international tourism, the drop was even sharper. For example, for [Dubrovnik airport](#), the number of passengers decreased by 88.6 % compared to 2019. In total, the airport provided services to 330 147 passengers in 2020, the worst result since 1999. All commercial flights ceased for almost two months. The number of aircraft movements decreased by 67.3 %.

According to an airport industry connectivity [report](#), more than 6 000 routes served from Europe's airports in 2019, were still not restored nine months into the Covid-19 crisis. Smaller regional airports have recorded the highest declines in direct connectivity: -96 % in Linz (Austria); -95 % in Treviso (Italy); -93 % in Groningen Eelde (the Netherlands); -91 % in Vaasa (Finland); -87 % in Quimper (France); -83 % in Shannon (Ireland); and -82 % in Burgas (Bulgaria).

However, not all segments were equally affected. According to the [ACI Europe](#), freight traffic at EU airports fell by -12.1 %. [Eurocontrol](#) reported that the all-cargo market segment in Europe doubled its market share from 3 % to 6 %, due to increased demand for medical supplies, food and other goods. For example, one of Europe's major cargo airports, [Liège \(Belgium\)](#), saw an increase in cargo flights: +10.7 % (34 264 flights in 2020 compared to 30 934 flights in 2019). When looking at the tonnage passing through the airport, the increase was even bigger: +24 % compared to 2019, going from 902 480 to 1 120 643 tonnes. At the same time, passenger traffic through Liège airport decreased by 74 % (44 487 passengers in 2020 compared to 170 737 in 2019).

The sudden drop in passenger traffic significantly reduced airports' aeronautical and non-aeronautical [revenues](#). According to [ACI estimates](#), European airports' revenues fell about US\$40.8 (€33.6) billion (-68.8 %) in 2020. In absolute terms, this was more than in any other region of the world. In relative terms, the sharpest drop was in the Middle East, with a reduction of 73.5 % of revenues for 2020 compared to the projected baseline.

The sharp drop in revenues has put many [airports](#) in such a difficult situation that they face insolvency without government support. On 27 October 2020, [ACI Europe](#) warned that 193 airports, which facilitate 277 000 jobs and €12.4 billion of GDP in Europe, faced insolvency in the months ahead. The airports facing insolvency are mainly regional, serving local communities, which poses a risk to local employment and economies, consumer choice and connectivity.

One of the key reasons that airports find themselves in difficulties is that, regardless of traffic levels, airports still have many fixed costs associated with the provision and maintenance of infrastructure

and essential services. In addition, airports apply strict public health measures and manage testing facilities that entail extra costs. Airports have tried to reduce their variable costs to a strict minimum, by suspending contracts with service providers, reducing investments, temporarily closing terminal facilities and runways, furloughing staff or cutting salaries.

On the positive side, fewer flights also means fewer emissions, [less noise](#) and congestion and better on-time performance. For example, [emissions growth](#) between January and November 2020 was -56.7 % compared to the same period in 2019. However, these positive side effects are likely to disappear once traffic levels rise again.

## Focus on sustainability

Pressure is growing on regional airports to become greener, in particular in the context of the [Paris Agreement](#), which aims to limit global warming to below 2°C higher compared to pre-industrial levels, and the [European Green Deal](#) which aims to make Europe the first climate neutral continent by 2050. In addition to seeking to reduce aviation's climate footprint, the European Green Deal says that 'air quality should be improved near airports by tackling the emissions of pollutants by aeroplanes and airport operations'. The [Sustainable and Smart Mobility Strategy](#), published by the European Commission in December 2020, also emphasises the importance of creating zero-emission airports and linking them to other modes of transport.

The EU also encourages the greening of airports via its [Recovery and Resilience Facility](#), which will make €672.5 billion in loans and grants available to support reform and investment undertaken by Member States. The aim of this facility is to mitigate the economic and social impact of the coronavirus pandemic and make Europe more sustainable, resilient and better prepared for the challenges and opportunities of the green and digital transitions.

Meanwhile, the industry itself has also set targets to become greener. In 2019, European airports represented by [ACI Europe](#) committed to net zero for carbon emissions by no later than 2050. More recently, in November 2020, over 20 associations representing the European aviation sector, signed a [joint statement](#) for a post-coronavirus recovery, which targets net zero CO<sub>2</sub> emissions for the aviation sector by 2050, despite the unprecedented challenges posed by the Covid-19 crisis.

In 2009, the ACI launched an [Airport Carbon Accreditation programme](#), which assesses and recognises the efforts of airports to manage and reduce their carbon emissions through six levels of certification: 'Mapping' (level 1), 'Reduction' (level 2), 'Optimisation' (level 3), 'Neutrality' (level 3+), 'Transformation' (level 4) and 'Transition' (level 4+). Currently, there are 51 [carbon neutral airports](#) (airports that have achieved level 3+) in Europe, among them several regional airports such as Eindhoven (the Netherlands), Göteborg (Sweden), Kuusamo (Finland), Cannes-Mandelieu (France) and Venice (Italy).

According to a recent European University Institute (EUI) [policy brief](#), airports can directly operationally control only about 2 % of total aviation global emissions (i.e. emissions stemming from airport buildings, infrastructure and ground vehicles). Most airports already include electric buses and other vehicles to transport passengers to-, from and within the airport premises in their fleet. Many are producing renewable energy on-site and improving their buildings' energy efficiency. Moreover, airports are seeking to improve their public transport connections, while promoting multi-modality and cleaner mobility forms.

As for indirect control, airports have various measures at their disposal that can stimulate cleaner and quieter aircraft. They can modulate the charges paid by airlines based on environmental criteria, for example, by reducing charges for aircraft producing less noise and emitting fewer air pollutants. They can also favour airlines with higher load factors, to reduce emissions per passenger. Moreover, airports can use incentives to support new fuel use or noise reduction, by prohibiting take-offs after a certain hour in the evening, or by introducing night bans for planes other than the latest generation. Finally, they can introduce slot limitations on the basis of plane types and other objectives.

The example of Hamburg airport mentioned in the EUI policy brief illustrates how an airport can reduce its carbon footprint. Hamburg airport has reduced its footprint from around 38 000 tons of CO<sub>2</sub> in 2009 to about 14 000 tons of CO<sub>2</sub> in 2019. To achieve this result, the airport changed its ventilation and lighting systems and built more energy efficient buildings. It also started using electricity from wind power. The airport also replaced diesel-powered vehicles with electric vehicles, especially where these are used over shorter distances. Finally, the airport is planning to construct a new baggage-handling system, equipped with a photovoltaic facility to produce hydrogen for the next generation of hand luggage tractors.

## Restoring public confidence

For airports to recover from the Covid-19 crisis, public confidence in flying needs to be restored. Airports can take various measures to reduce the risk of catching the virus in airports (e.g. impose wearing of face masks, facilitate physical distancing, reduce contacts between the staff and passengers), although they do not control the general epidemiological situation, or the pace of vaccination. Meanwhile, uncoordinated and conflicting national measures can adversely influence confidence, by making it difficult for passengers, airports and airlines to follow the rules. Furthermore, as recalled in European Commission recommendation [2020/648](#) and Parliament [resolution](#) of 17 April 2020, passengers need to be sure that their rights are respected (in particular air passenger rights set in [Regulation 261/2004](#) and package travellers' rights set in [Directive 2015/2302](#)). In this respect, the European Consumer Organisation ([BEUC](#)) has pointed out that passengers have struggled to obtain refunds in cases of cancellations during the coronavirus crisis.

When trying to restore public confidence, airports can also learn from passenger surveys. As revealed by a recent [survey](#) on the effects of Covid-19 on passenger confidence,<sup>2</sup> 8 in 10 air passengers say that their travel habits will change as a result of Covid-19 and 31 % of passengers plan to fly less. Women in particular are less confident throughout the travel journey. Passengers over 65 years old are three times (24 %) more likely to wait until a vaccine is available before flying again than those aged 25-34 (8 %). Frequent flyers (those who took more than five flights in 2019) are most confident at each stage of the travel journey. When asked what was preventing passengers flying abroad, fear of catching the virus and the inconvenience of quarantines headed the reasons given. The survey also points out that digital technology and clear information can enhance confidence. For example, 79 % of respondents say their confidence would increase if they were provided with destination status alerts, real time information and news about their destination. Furthermore, 83 % would like more in-flight contactless payments.

[Airlines and airports](#) have been calling for passenger quarantines to be abolished in favour of rapid testing technologies. The European Union Aviation Safety Agency (EASA) and the European Centre for Disease Prevention and Control (ECDC) '[Guidelines for Covid-19 testing and quarantine of air travellers](#)' issued in December 2020 did not recommend quarantines in an epidemiological situation where transmission of the virus is widespread across the EU. The guidelines considered quarantine for incoming travellers an effective solution only in situations where a country has achieved a reduction in Covid-19 transmission levels to close to zero, while in other countries the virus is still widespread. Instead, the guidelines promote application of the EASA ECDC [Covid-19 Aviation Health Safety Protocol](#), which addresses all stages of travel and describes such measures as communication on health safety, administrative controls, physical distancing measures at airports and on-board aircraft, enhanced hygiene and cleaning.

However, when new, more transmissible variants of the virus emerged at the end of 2020, the [ECDC](#) recommended, as two of the options to slow the spread of the new variants, avoiding all non-essential travel and alerting 'people coming from areas with significantly higher incidence of the variant to the need to comply with quarantine, as well as getting tested and self-isolating if they develop symptoms'.



To avoid disproportionate and differing national restrictions on movement when tackling the health emergency created by the pandemic, and thereby also to try to prevent significant disruption to businesses and citizens, the EU Member States adopted a [recommendation](#) on a coordinated approach on 13 October 2020. The recommendation set common criteria on epidemiological risks (infection rate, test-positivity rate and a testing rate), thresholds when deciding whether to introduce restrictions to free movement, a mapping of the risk of Covid-19 transmission based on an agreed colour code (green, orange, red, and grey areas), and a coordinated approach to the measures. The recommendation also called for the development of a common digital European passenger locator form. The latter was tested by [Alitalia](#) in January 2021.

On 28 January 2021, the Council amended its 13 October 2020 [recommendation](#), by adding a new colour (dark red) to the existing categories of green, orange, red, and grey areas. The Council called on Member States to strongly discourage all non-essential travel to and from dark red areas and discourage all non-essential travel to and from red areas. At the same time, the Council called for disruption to essential travel to be avoided (e.g. travel for work and study reasons). Member States should also ask persons travelling from a dark red area to undergo a test for Covid-19 infection prior to arrival and undergo quarantine/self-isolation upon arrival.

## Accelerating digitalisation

The Covid-19 crisis has also accelerated digitalisation in airports, which can help to make airports safer, greener and more efficient. It can also help to restore public confidence.

[Airports](#) have been using technological solutions that allow passengers to perform functions such as check-in, bag drop, security and boarding checks in total autonomy and without touching screens or documents. These developments have now been accelerated as airports seek to reduce contacts between passengers and staff. Travellers can also use mobile applications for navigation at the airport, collecting their boarding passes on their own device and receiving flight notifications. Similarly, travellers can use QR Code Readers to order food and beverages. Following the outbreak of the pandemic, airports have also introduced various technological solutions for health checks, including thermal-imaging cameras to detect and measure the body temperature of passengers. Some airports use also robots. For example, in Terminal 2 of [Munich airport](#), passengers are greeted by a robot who provides travel information. Other airports are using technologies for cleaning and sanitising (e.g. [Cagliari airport](#), serving the Italian island of Sardinia, which started to use ultraviolet rays to sanitise the storage and hand luggage trays in March 2020).

The EU supports digitalisation, including at regional airports, through several initiatives. Established as the technological pillar of the [Single European Sky](#) (SES) initiative, [SESAR](#) (Single European Sky ATM Research) aims to make European aviation more efficient through the delivery and deployment of technological and operation solutions fit for purpose for the digital era. Since 2008, SESAR has researched, validated and delivered many solutions, which target airports' operational and business needs; for instance, they help to: further integrate the use of drones in airports; pilots to navigate in the airport; and support accessibility in secondary airports. Over the years, the [European Parliament](#) has regularly expressed support for removing obstacles to the implementation of the Single European Sky initiative and of its technical pillar, SESAR.

## Support provided to regional airports during the coronavirus pandemic

Member States have been offering (with the guidance and support of the European Commission) various types of assistance to regional airports. However, they can only provide this support on certain conditions, some of which are applicable to all economic sectors, while others are specific to air transport.

## General State aid rules

General State aid rules are set down in the EU Treaties. [Article 107\(1\)](#) of the Treaty on the Functioning of the European Union (TFEU) states that 'any aid granted by a Member State or through State resources in any form whatsoever which distorts or threatens to distort competition by favouring certain undertakings or the production of certain goods shall, in so far as it affects trade between Member States, be incompatible with the internal market'.

However, according to [Article 107\(2\)](#), aid having a social character or aid intended to make good the damage caused by natural disasters or exceptional occurrences, is compatible with the internal market. Furthermore, aid below certain thresholds ([€200 000](#) over a period of three years for most businesses), is deemed to have no impact on competition or trade in the EU's internal market. This aid may be granted without notification or European Commission approval, provided it complies with the requirements of Article 50 of the [General Block Exemption Regulation](#) (GBER).

Lastly, [Article 107\(3\)](#) TFEU says that the following type of aid 'may be considered to be compatible with the internal market':

- 'aid to promote the economic development of areas where the standard of living is abnormally low or where there is serious underemployment, and of the regions referred to in Article 349, in view of their structural, economic and social situation';
- 'aid to promote the execution of an important project of common European interest or to remedy a serious disturbance in the economy of a Member State';
- 'aid to facilitate the development of certain economic activities or of certain economic areas, where such aid does not adversely affect trading conditions to an extent contrary to the common interest'
- 'aid to promote culture and heritage conservation where such aid does not affect trading conditions and competition in the Union to an extent that is contrary to the common interest'.

The European Commission has to examine such aid cases on an individual basis.

## State aid rules applicable to air transport during the coronavirus pandemic

The European Commission published an [overview](#) of State aid rules and public service obligations rules applicable to the air transport sector during the Covid-19 outbreak on 19 May 2020. The overview does not express an official European Commission position, but rather aims to provide information on the current rules.

The Commission explains the aim of EU State aid rules applicable to air transport during the pandemic: 'to safeguard and restore the connectivity underpinning the free movement of people and goods while keeping in mind that a competitive internal market is our best asset to bounce back strongly afterwards'. Any public support should avoid undue distortions of competition.

The Commission also clarifies which measures do not constitute State aid, which do constitute State aid but are exempted from notification, and which measures are State aid and need to be notified to the European Commission. For example, general measures applicable to all economic sectors, such as wage subsidies, suspension of corporate and value added tax or social contributions payments are not considered State aid. Furthermore, the funding of the activities that the State normally performs in the exercise of its public powers does not fall under the State aid rules (e.g. when airports are required to stay open to accommodate special flights for the purpose of repatriation of nationals or transporting people for medical reasons). However, any public support measure to the sector have to respect EU air transport laws,<sup>3</sup> EU State aid rules and EU public

procurement rules. The Commission overview summarises some of these rules, by giving examples from air transport.

## Temporary framework to support the economy during the coronavirus outbreak

When the Covid-19 pandemic spread, the European Commission took a number of steps to ensure that Member States could make full use of the flexibility foreseen under State aid rules. Firstly, it published a [communication](#), which set out all the possibilities already available to Member States to mitigate the socio-economic impact of the Covid-19 outbreak. Then it adopted a [temporary framework](#) for State aid measures to support the economy during the current crisis by defining a larger range of measures that it considers *a priori* compatible under Article 107(3) of TFEU. The temporary framework applies to coronavirus-related State aid that is not below the threshold mentioned (€200 000) and is not exempted under the GBER. The temporary framework was amended several times (e.g. on 3 April, 8 May, 29 June and 13 October 2020), to respond more effectively to the circumstances.

In its [decision](#) of 12 March 2020, related to a Danish State aid scheme, the European Commission recognised for the first time that the Covid-19 pandemic is an exceptional occurrence within the meaning of Article 107(2) TFEU. For the aid to be compatible with this article, it has to be directly linked to the damage caused by the Covid-19 outbreak and proportionate (compensation should not exceed what is necessary to repair the damage).

The [temporary framework](#) sets out Member States' options under EU rules to ensure liquidity and access to finance for almost all types of businesses (including regional airports) that face a sudden shortage in this difficult period, aiming to allow them to recover from the current situation. The measures introduced under the temporary framework aim to ensure that otherwise viable businesses do not go bankrupt due to sudden liquidity shortfalls caused by the pandemic.

Lastly, the Commission has also made the procedure easier, by committing to decide on State aid notifications relating to Covid-19 within days of receiving a complete State aid notification and by setting up a dedicated [contact point](#) to assist Member States with any questions they have. The Commission has also published a [template](#) setting out the information that Member States have to provide in their State aid notification under Article 107(2) TFEU.

## Examples of aid and criticism

Since mid-March 2020, the Commission has approved several State aid schemes from which regional airports can benefit, for example, the [Walloon aid scheme](#) deferring the payment of concession fees by Charleroi and Liège airports, operating aid for [Saarbrücken airport](#), [Romanian public support](#) for Timișoara airport, aid to [Flemish airports](#), aid to [Polish airports](#), loan to [Hermes Airports Limited](#) (Cyprus), and support for [Romanian regional airports](#). The full list of State aid decisions approved by the Commission is available on the Commission [website](#) dedicated to State aid.

However, these decisions have also caused [discontent](#). Some argue (in particular [Ryanair](#)) that Commission State aid decisions distort competition. Members of the European Parliament (see [written question](#) by Jörgen Warborn (EPP, Sweden) to the European Commission) have also questioned the legality of decisions to give State aid to certain airports and not others. Finally, several environmental groups have questioned whether and on what grounds governments should help the aviation industry, calling for the application of more environmental conditionality.

## Path to recovery

The economic recovery of the EU in the aftermath of the Covid-19 crisis is dependent on the restoration of air connectivity, which in turn requires that all actors in the [European aviation sector](#) are able to provide their services. Air transport boosts competition and trade, facilitates business



interactions and foreign investment. It provides employment opportunities, widens consumer choice and drives spending, which stimulates growth and helps reduce poverty in destination economies. Air transport also plays a critical role in vaccine transportation. Furthermore, restoration of [air connectivity](#) is also important for cultural, educational and recreational reasons. Air transport extends the opportunities to visit other countries and experience other cultures. It contributes to people's quality of life and fosters social contacts. Air transport also facilitates student exchange programmes, especially in remote areas. For all these reasons, regional airports are possibly as important as big metropolitan airports.

For the moment, it is difficult to estimate how quickly the EU aviation sector will recover. The [recovery](#) will depend on factors including the duration and the magnitude of the crisis, the level of vaccine availability, consumer confidence, and the efficacy of containment measures. In addition, the speed with which the overall economy recovers will affect how long the recovery of air travel will take. Reduced income is likely to depress demand for air travel. Other factors that could drive down demand are increasing attention to the environmental impact of aviation, [slowbalisation](#) and the 'flight shame movement', increasing [demand](#) for local second homes and geopolitical instability. The recovery is likely to be driven by leisure travel (including visiting friends and family members) and shorter trips. Business travel is expected to be slow to recover. Moreover, airports will remain exposed to a possible resurgence of the pandemic and new travel restrictions.

According to a recent Eurocontrol [impact assessment](#), in the intermediate term, when health measures continue but passenger volumes get closer to pre-coronavirus volumes, airports could face capacity problems, as physical distancing requires more space, enhanced sanitation more staff, and health issues more time and bureaucracy. Space problems are aggravated by some changes in passenger behaviour, such as the tendency to arrive at the airport earlier.

As the recovery depends on many aspects, the short, medium and longer-term estimates vary significantly and are formulated in a number of scenarios. For example, the [ACI](#) has developed three scenarios to look at the potential recovery trajectory using the following assumptions:

- Optimistic scenario: Multiple effective vaccines are available in 2021, strong enthusiasm from passengers to fly and an aggressive airline fleet recovery.
- Baseline scenario: Effective vaccine(s) largely distributed in the second half of 2021, enthusiasm from passengers to fly and a reasonable airline fleet recovery.
- Pessimistic scenario: Effective vaccine(s) are available in 2021 but (due to complex supply chain requirements) vaccine supply and/or roll-out is limited. Passengers are afraid to travel, economic downturn is prolonged and airline fleets recover slowly.

In the baseline scenario, global passenger traffic would recover to 2019 levels in the second half of 2023, mainly driven by the recovery of domestic passenger traffic. International passenger traffic will take more time to recover, getting back to 2019 levels only in 2024.

On 14 January 2020, [Eurocontrol](#) estimated that in January-February 2021, traffic would continue to be about 50-60 % lower than in 2019. As for longer-term estimates, on 4 November 2020, [Eurocontrol](#) forecast that traffic would return to 2019 levels in the most optimistic scenario<sup>4</sup> in 2024, and in the most pessimistic scenario<sup>5</sup> in 2029. For 2021, Eurocontrol predicts that European traffic would be at 51-73 % of 2019 levels.

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## ENDNOTES

- <sup>1</sup> 'Passengers carried' do not include transit passengers who stay on board and continue their flight with the same flight number.
- <sup>2</sup> The survey received nearly 10 000 respondents from 12 countries. It was published in November 2020.
- <sup>3</sup> e.g. [Regulation 1008/2008](#) on common rules for the operation of air services in the Community.
- <sup>4</sup> In this scenario, vaccine(s) would be widely available for travellers by summer 2021. From mid-2021, passengers would feel relatively confident to travel and airlines could be reasonably well able to invest and re-hire once the demand returns.
- <sup>5</sup> In this scenario, vaccine(s) would be widely available for travellers by summer 2022, but uptake would be patchy. Some regions would experience new Covid-19 outbreaks.

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