

PRESS RELEASE

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Asia Pacific Airlines Focus on Sustainability

AAPA members eye air travel growth with full recovery in sight next year

Singapore - Sustainability will be the core focus of discussions amongst airline leaders gathering at the 67th Assembly of Presidents of the Association of Asia Pacific Airlines (AAPA) in Singapore this week.

“Achieving sustainability goals is critical to the future success of the international air transport sector and its continuing role as an agent for social and economic development,” said Mr. Subhas Menon, AAPA Director General. “Extreme weather events and record temperatures in 2023 nearing global warming thresholds set by the United Nations Intergovernmental Panel on Climate Change, are a clarion call for all industry players, especially governments and fuel suppliers, to step up efforts on sustainability, and to ensure that aviation is able to achieve its net zero carbon emissions goal by 2050”, said Mr. Menon.

In addition to aviation sustainability, the AAPA Assembly of Presidents will also celebrate the industry’s return to growth and profitability. AAPA member carriers continue to see strong recovery in air travel despite a dampened global economic climate resulting from unprecedented inflation, and aggressive monetary policies to reign it in. In September 2023, the number of international air passengers in Asia Pacific reached 79% of 2019 levels, behind other regions given that borders in Asia only fully re-opened six to twelve months after the rest of the world. Nevertheless, demand is robust, with international air passenger traffic measured in revenue passenger kilometres (RPK) growing by 171% in the first nine months of 2023, compared to the same period in 2022.

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Seat capacity measured in available seat kilometres increased by a comparatively slower 130% in the first nine months of 2023, in part due to supply chain constraints affecting the timely delivery of new aircraft, and essential spares for maintenance. Load factors have already recovered to pre-pandemic levels and air fares remain high on the back of strong demand for air services in the region.

“China, accounting for a fifth of the region’s international traffic before the pandemic, is still at only 54% of 2019 levels in September 2023. Excluding China, recovery of the region stands at a markedly higher 87%. Nevertheless, the return of Chinese travellers in full force will kick off another significant wave of growth for the region and global tourism,” observed Mr. Menon, adding that “the demand for air travel is resilient in spite of the challenges in the global economy, as there is a distinct shift in spending from goods to services, including on air travel.”

The shift to services and the re-opening of sea-lanes for maritime trade has resulted in air cargo demand shrinking by 6% in the nine months to September in 2023, compared to 2022. In spite of this, air cargo demand in the region is expected to improve as the global economy stabilises, manufacturing output strengthens and inventories accumulated during past years are drawn down.

Mr. Menon added: “Cargo is a bellwether for the global economy while passenger demand reflects consumer spending habits which have shifted to services and tourism-related sectors instead of manufacturing. The robust growth in air travel demand will keep the industry on track to full recovery.”

“The AAPA Assembly of Presidents looks forward to discussing how airlines can contribute to the full restoration of global connectivity as well as seamless, safe, and secure air transportation, as they embrace the region’s potential to return to sustainable air transport growth in 2024.”

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Association of Asia Pacific Airlines (AAPA)

The AAPA is the trade association for scheduled international airlines based in the Asia Pacific region. The AAPA permanent secretariat is headquartered in Kuala Lumpur, Malaysia with international representation in Brussels and Washington, D.C. Collectively, the region's airlines represent over one-third of global passenger and air cargo traffic, and thus play a leading role in the ongoing development of global aviation.

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