

Towards Net-Zero - The European airlines' perspective

Webinar "Travelling Light: Mainstreaming low-carbon mobility for tourism travel"

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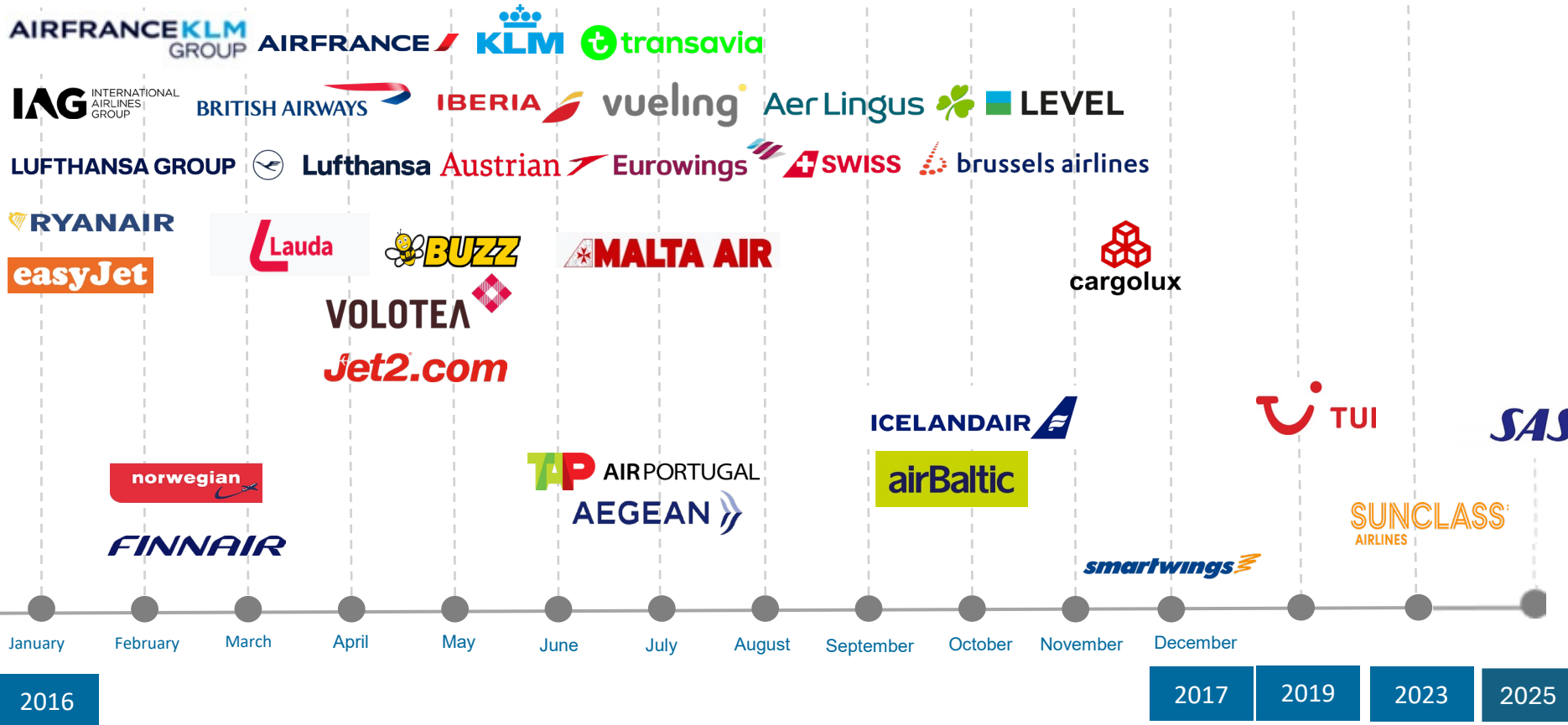
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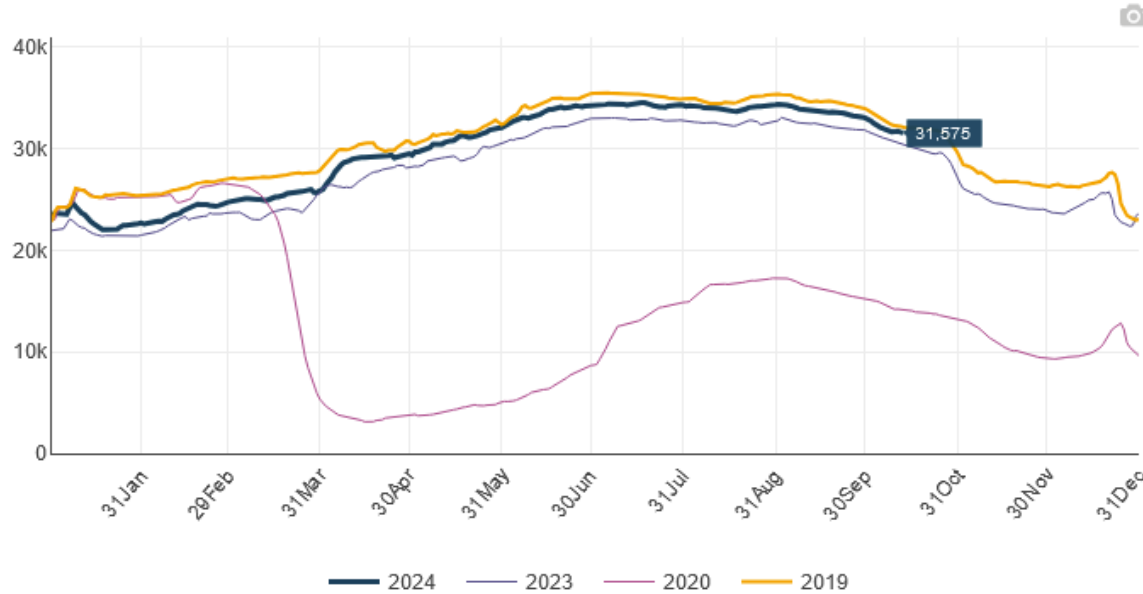


Who We Are – 2023 Figures



Post COVID recovery – flight

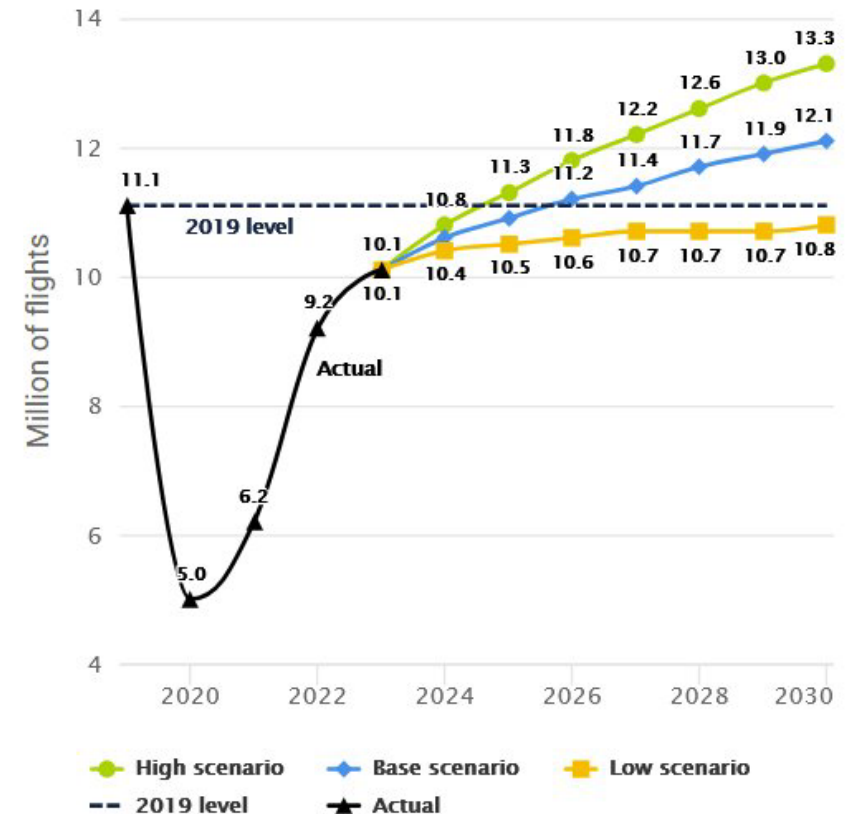
1 Jan - 13 Oct 2024
 Total flights: 8,586,160
 Avg. daily flights: 29,917
 Vs prev. year: +5%
 Vs 2019: -4%



Source: EUROCONTROL

EUROCONTROL 7-year forecast for *Europe 2024-2030 - Spring 2024

Actual and future IFR movements, in millions of flights



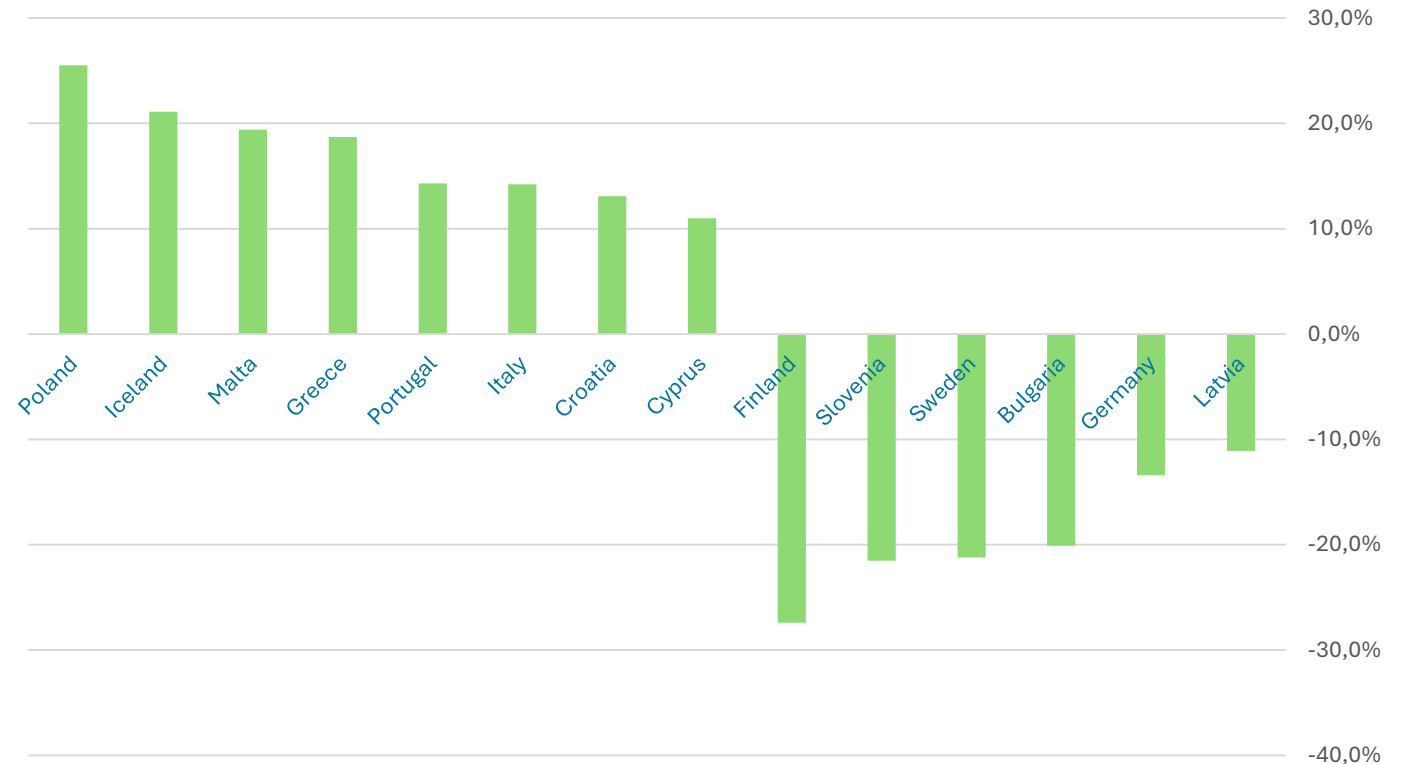
* Europe = ECAC 44 Member States

Post COVID recovery – pax

August 2024: airports in the EU+ market* expanding by +7% above 2023 and +2,5% over 2019 (ACI).

*EU, Norway, Iceland, Switzerland and UK.

Passengers in national markets 2024 vs 2019



Source: ACI Europe

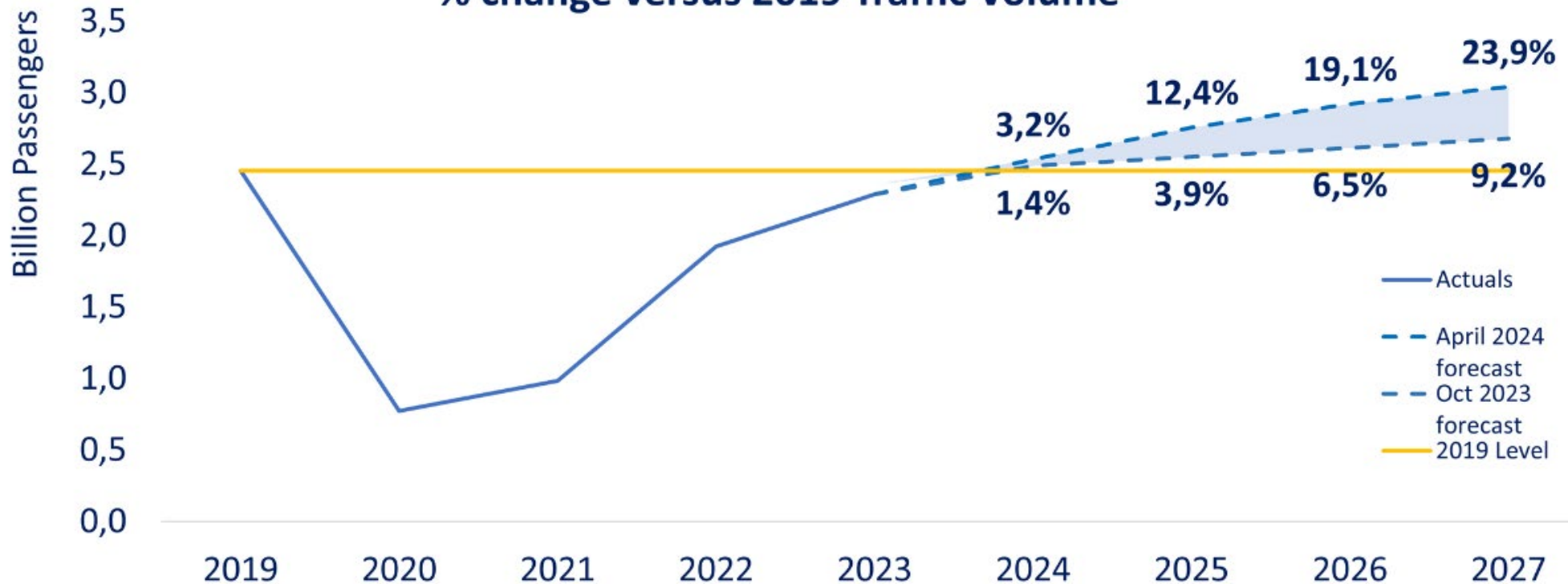
Actual vs Projected traffic



+3.2% Full Year 2024 passenger traffic vs. 2019

-14.2% full year 2024 traffic compared to pre-Covid projected traffic 2024

Airport Traffic Forecast for Europe to 2027 % change versus 2019 Traffic Volume



Aviation and Tourism

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

→ for most **Southern European countries** (e.g. Croatia, Portugal, Greece, Spain, Malta, Cyprus, Italy) travel and tourism account for between **10 - 25% GDP**

→ 8 out of 10 international arrivals in Greece are by air

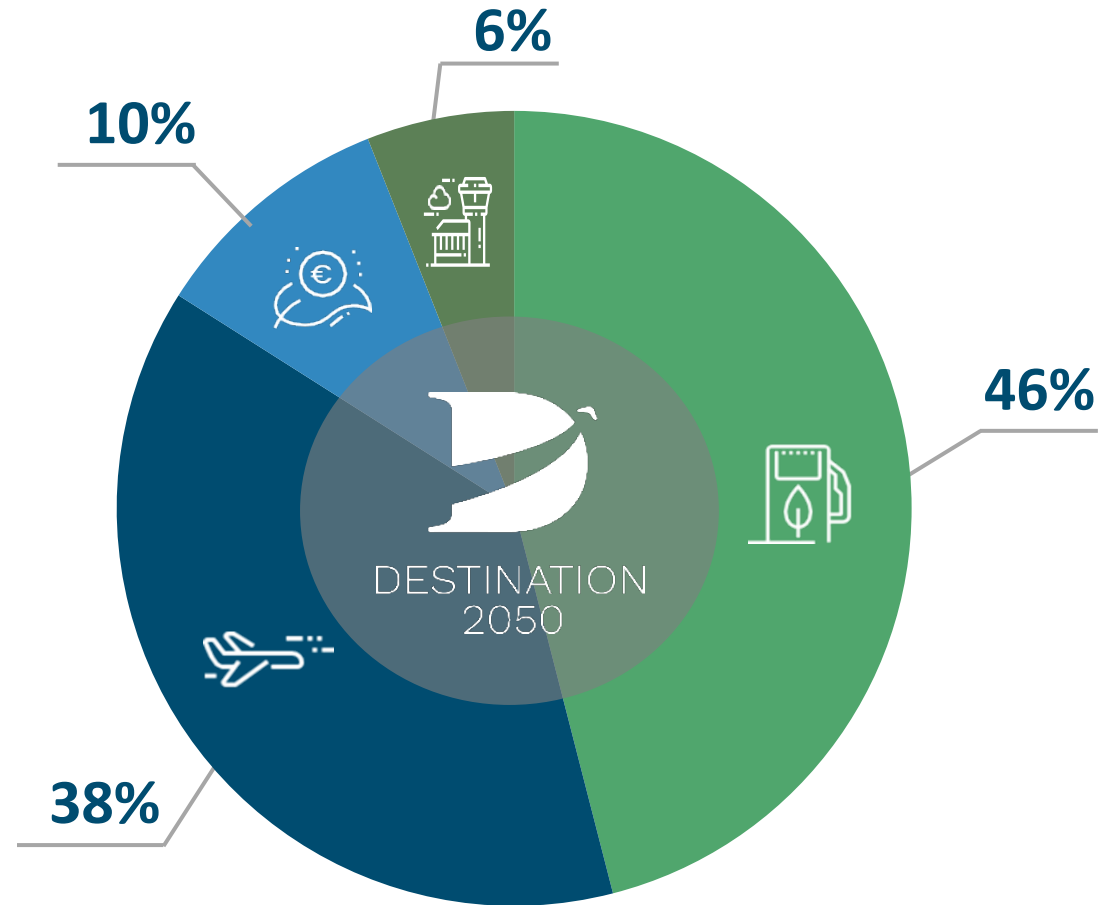
Europe is the top destination globally = **54.5% of all international tourist arrivals** in 2023 (UN Tourism)

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

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



Destination 2050 – route to net zero European aviation



Sustainable Aviation Fuels – 34%

*+12% impact on demand

Aircraft & Engine Technology – 37%

*+1% impact of on demand

Economic Measures – 8%

*+2% impact on demand

ATM & Aircraft Operations – 6%

Competitive Ds – decarbonisation & destination

Legal framework in place

- > A4E members are investing **€14,8 bn** on **SAF** (mandatory & voluntary) & **€165 bn** on **new aircraft** by 2030
- > Draghi report: **€ 61 bn every year from 2031 to 2050** to decarbonise aviation
- > 01 Jan 2025 – fuel suppliers' obligation to deliver SAF at European airports a.k.a **ReFuel EU mandates**

Accelerate availability of affordable SAF

- Up to **400 million tonnes SAF** by 2050
- > Bigger investments- incentivise production
- > Reduce market risk for producers and airlines
- > Fill up the e-Fuels project pipeline (obligation kicks in 2030!)
- > Extend SAF allowances to support price gap
- > Address aviation in **Clean Industrial Deal & Sustainable Transport Investment Plan**

What else needs to happen?

Airspace reform

- 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

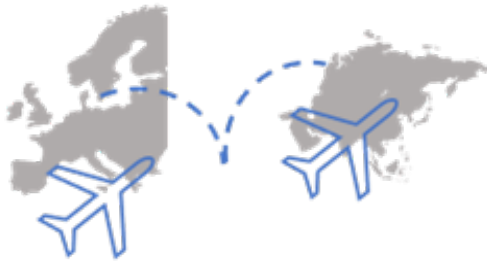


Source: Flightradar24, 08 July 2024

What else needs to happen?



50% demand shift in PT
in 2033



ETS + ETD will generate
74% carbon leakage in
2030

Taxation

- Levies make up between 30-50% of ticket price in France & Germany
- Risk of demand shift & carbon leakage
- Polluter already pays:
 - ✓ Airport charges
 - ✓ Air traffic control
 - ✓ Security at airport
 - ✓ ETS – emissions trading system
 - ✓ SAF cost: 3-5x more expensive + ‘green premium’ on kerosene
- Tax revenues should be reinvested back into decarbonizing aviation

Sustainable

Tourism
Transport
Aviation

Leading destination

Europe

Thank you!

