



Aviation and Economics

June 2018

Hadi AKOUM

Vice-President Sales Sub-Saharan Africa and Indian Ocean

AIRBUS

A350-900

63m

Jobs supported

51m

Tonnes of freight

3.6bn

Passengers

\$2.7tr

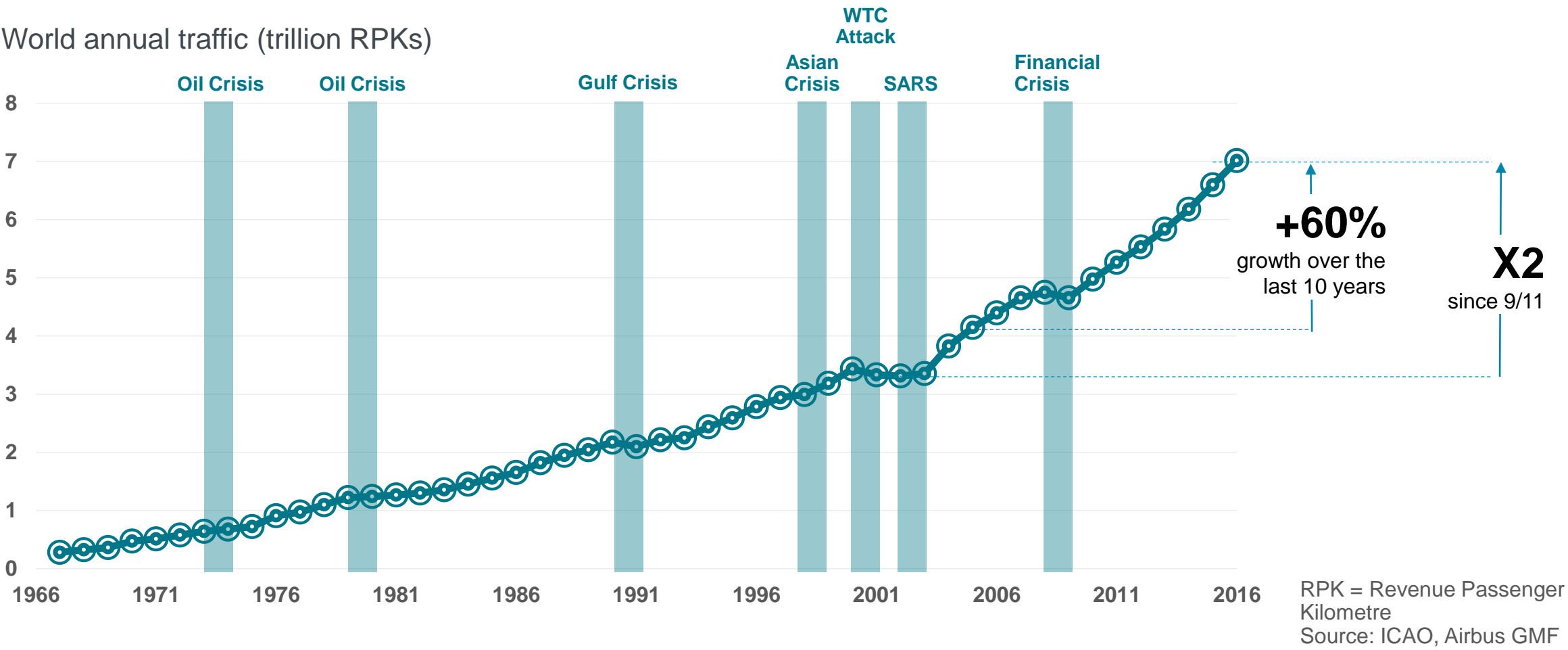
Global GDP

Aviation drives
the global **economy**

Source ATAG 2016

AIRBUS

Air travel has proved to be resilient to external shocks



Air Transport in Africa will massively increase

AFRICA :World's 2nd largest population after Asia

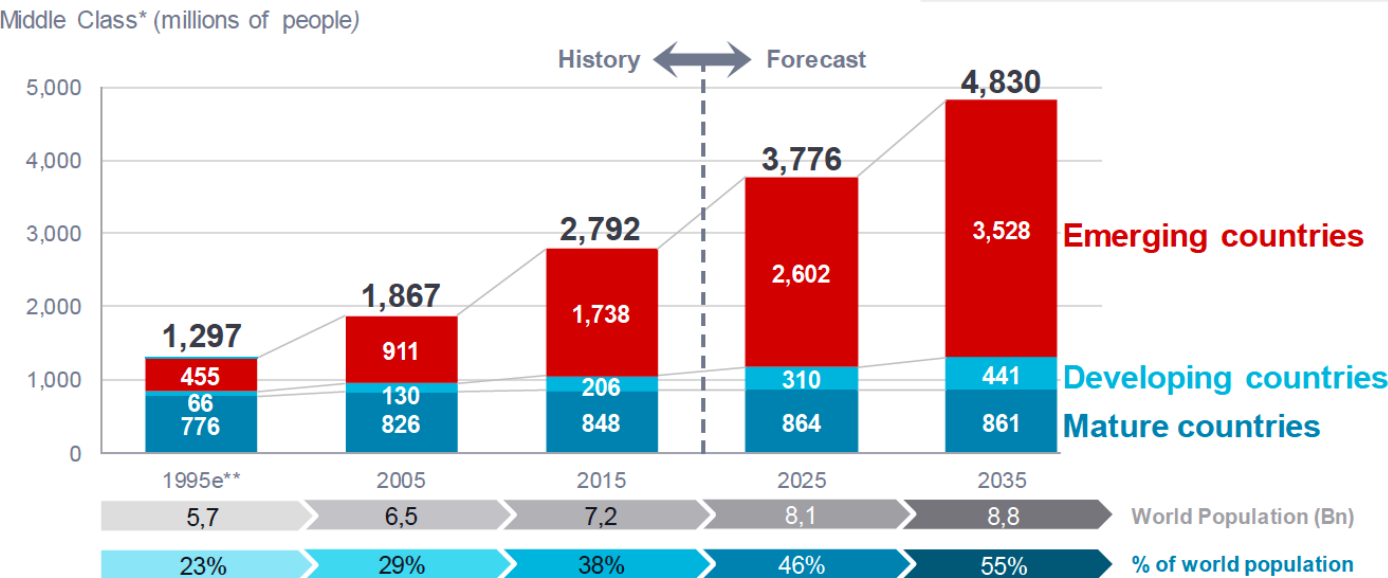
2016: 1.2 billion



2030: 1.68 billion



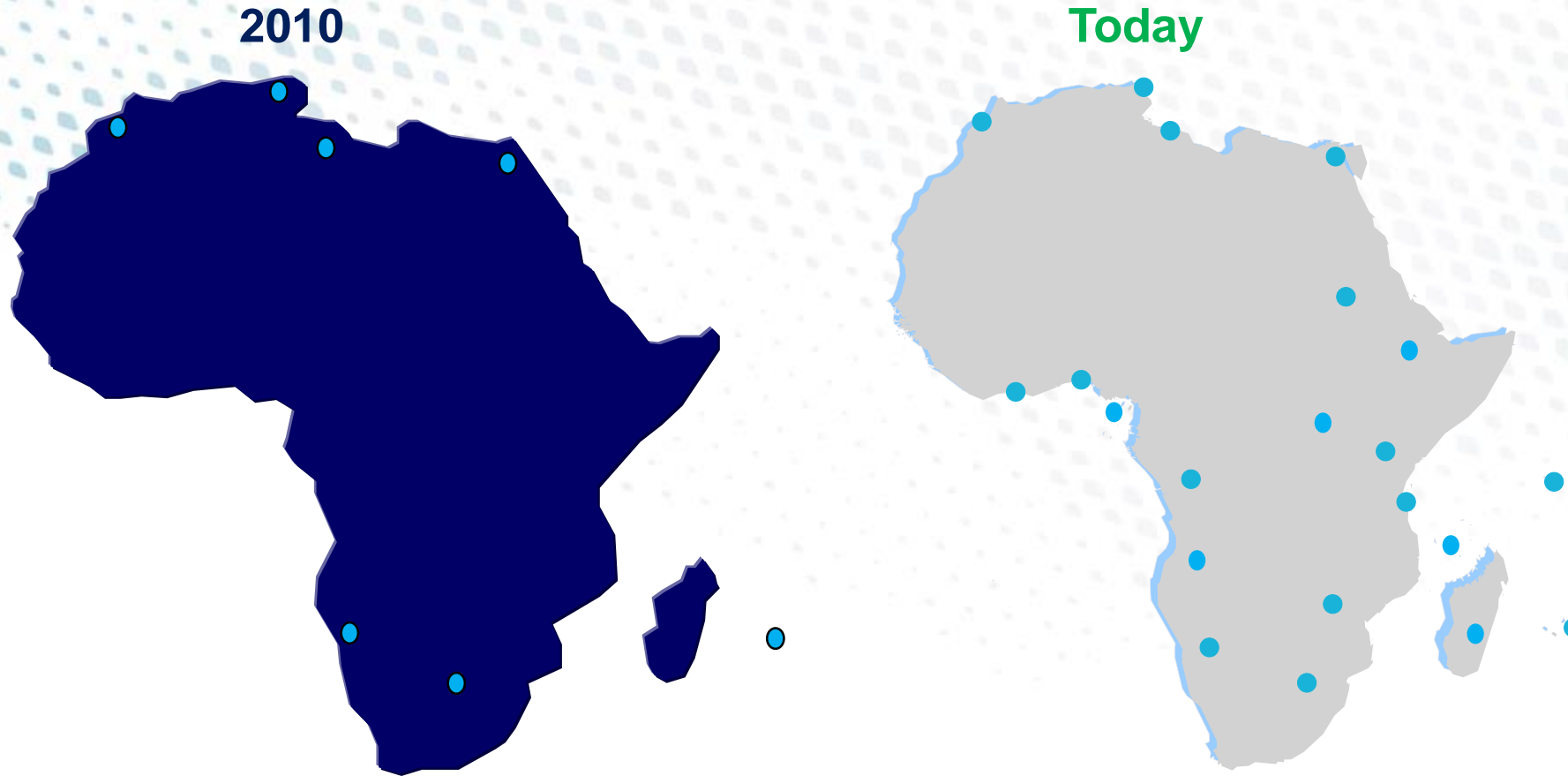
Middle Class* to move from 2.8 Billion to 4.8 Billion in 20 years



* Households with yearly income between \$20,000 and \$150,000 at PPP in constant 2015 prices
** Estimate for 1995 split by region
Source: Oxford Economics, Airbus



Airlines Business is growing



Airbus in Africa

261 orders
238 aircraft in-service
32 operators



28 new Airbus operators since 2010

At end August 2017

AIRBUS



Impact of an airline on the country's economy

Core impact

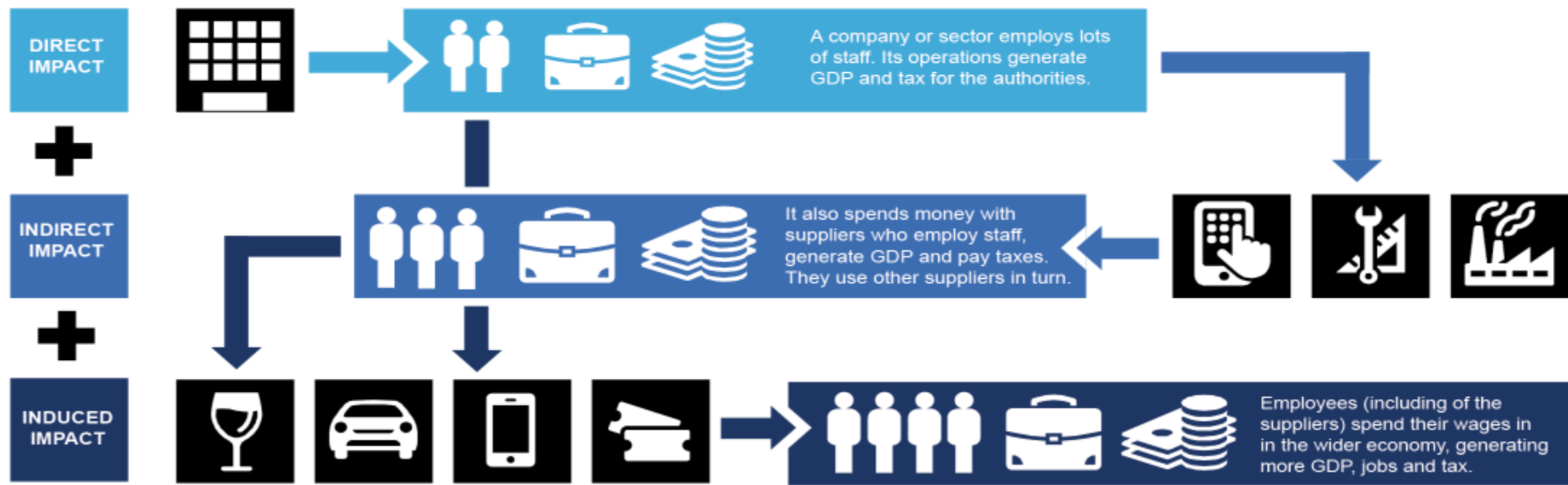
National Airline's Core Impact on GDP & Jobs



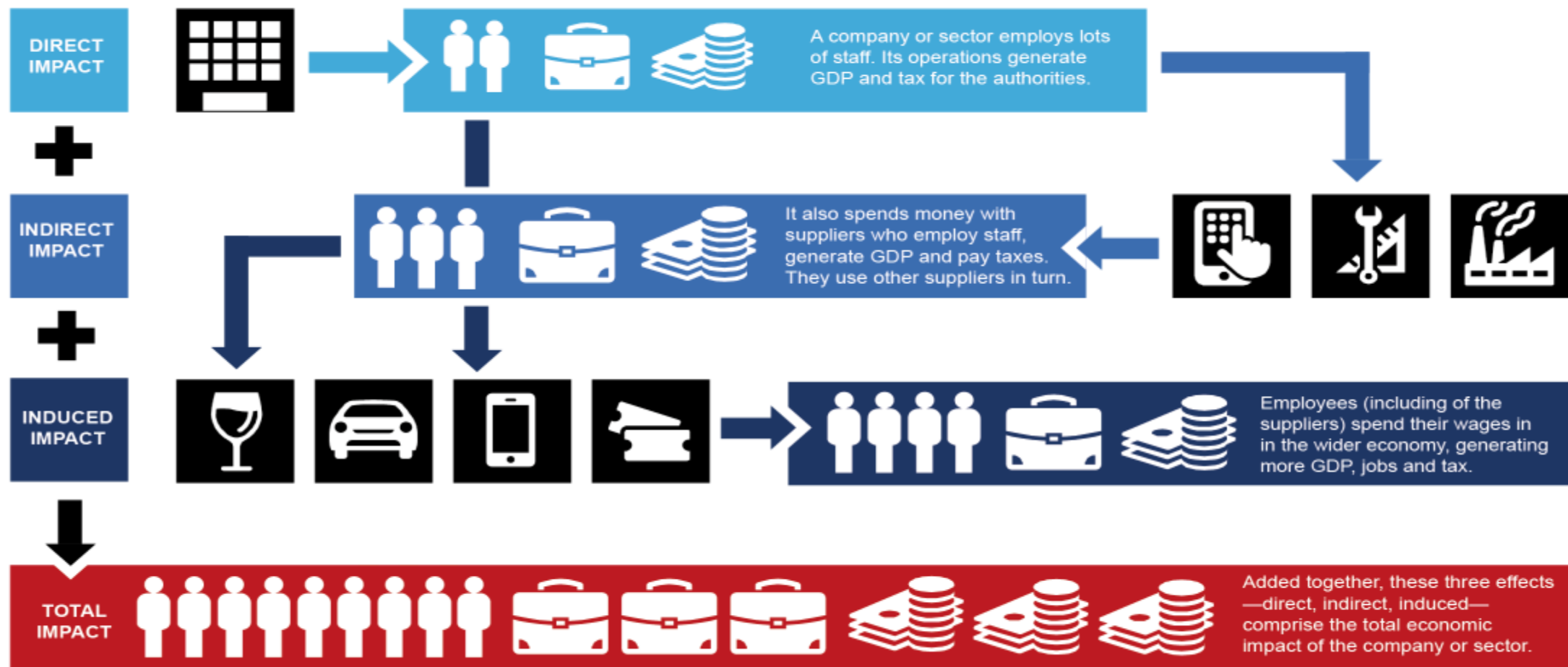
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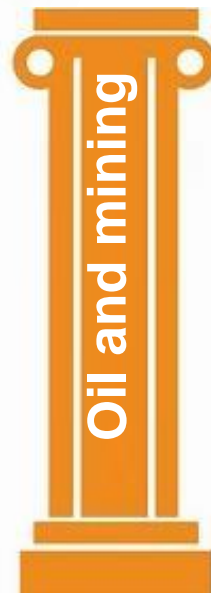
A essential tool to create new jobs and wealth opportunities

The economy pillars



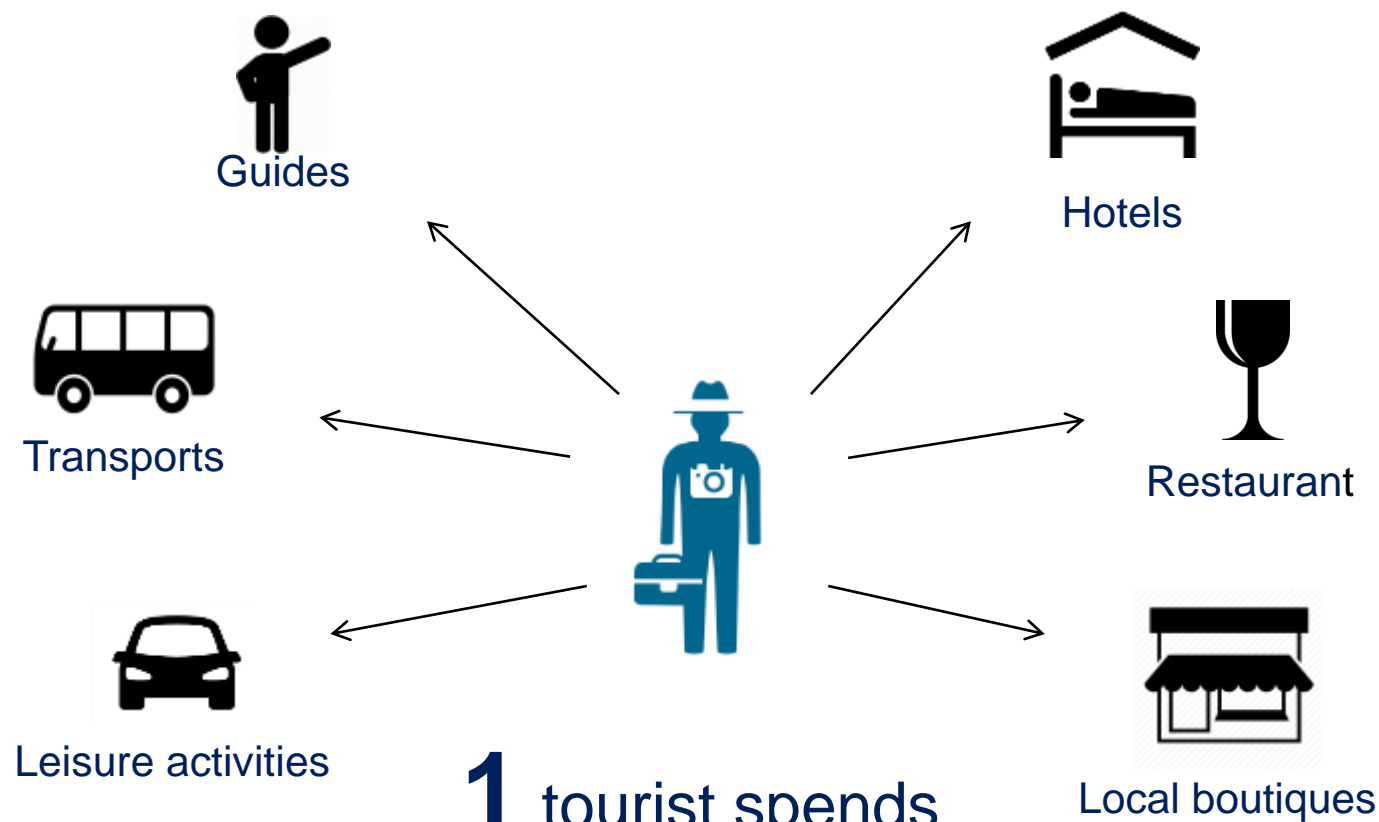
AGRICULTURE

The economy pillars



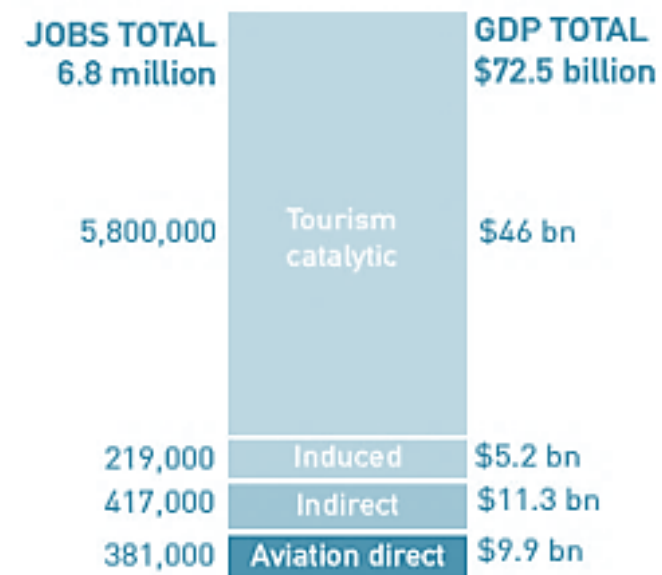
An airline will help Ivory Coast developing strong pillars and make the country more resilient

National Airline's Catalytic Impact – Employment & revenue



1 tourist spends
a minimum of
1000 US\$
over 10 days

Total jobs and GDP generated by
air transport in Africa, 2014



1 aviation job =
6 indirect jobs in the economy

How Airlines boost the Economy

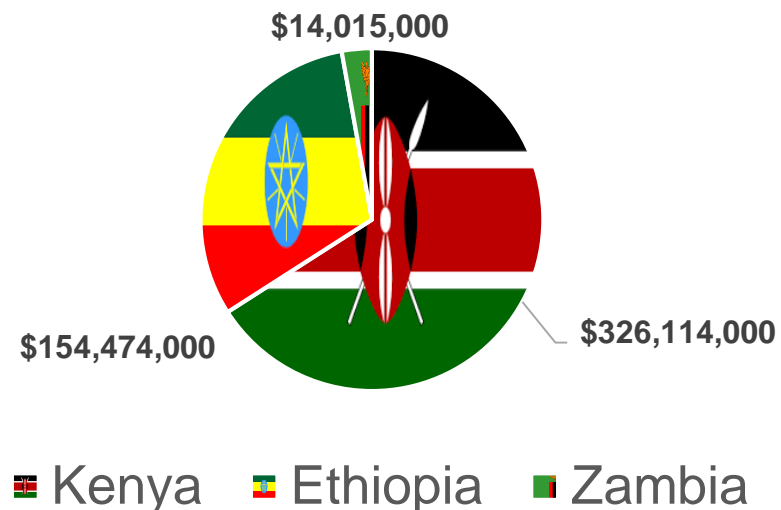


The example of Roses exports in East Africa



Provide more jobs than the mining industry

Roses Supply to European Union in 2014



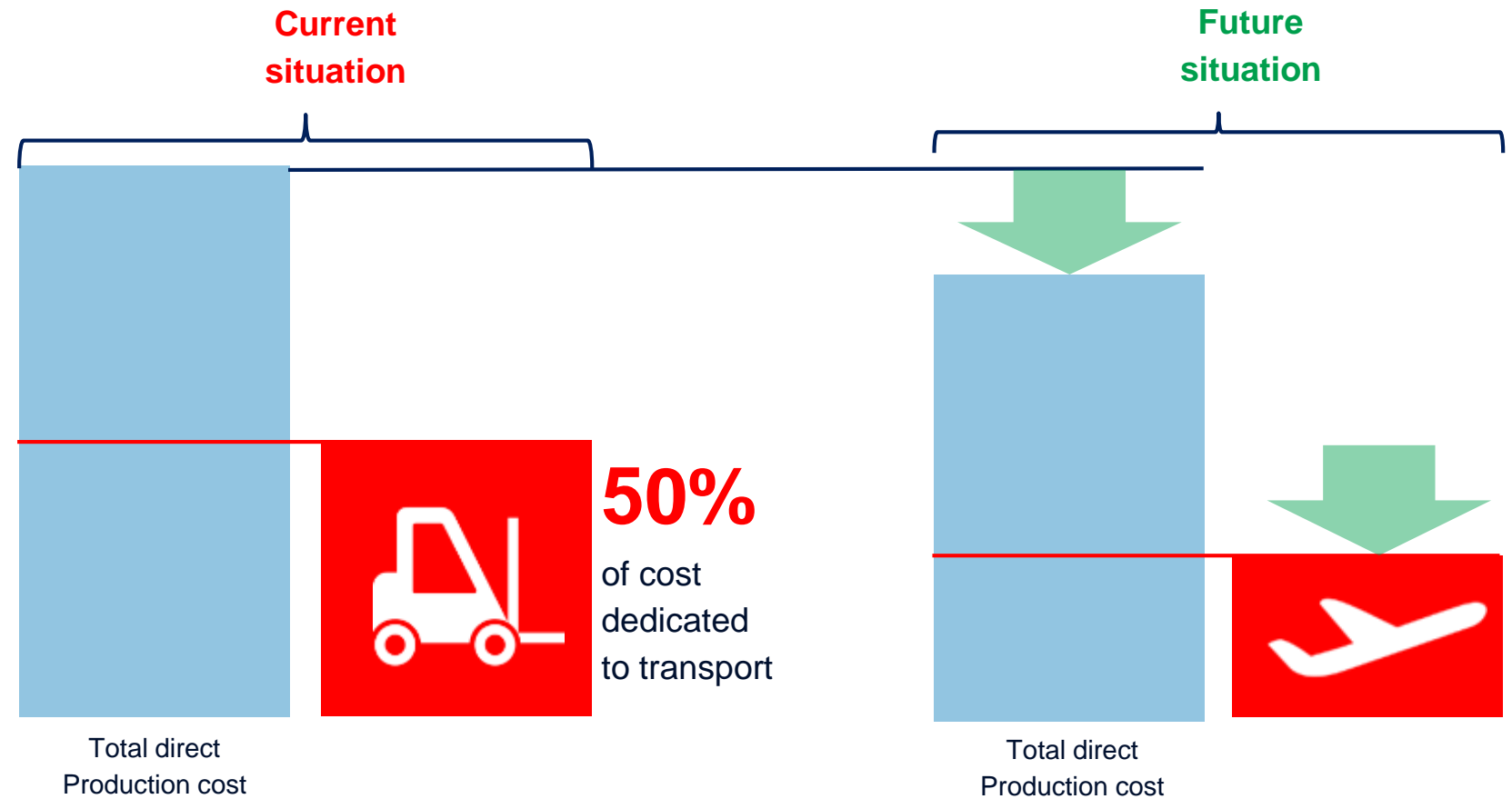
- 1 hectare of flowers generates, US\$ 150,000 per year, an average of 25 Jobs
 - 300 hectares could create:
 - US\$ 45,000,000 per year
 - Around of 7,500Jobs

Perishable exportations



Flowers and perishables
have all the same constraints

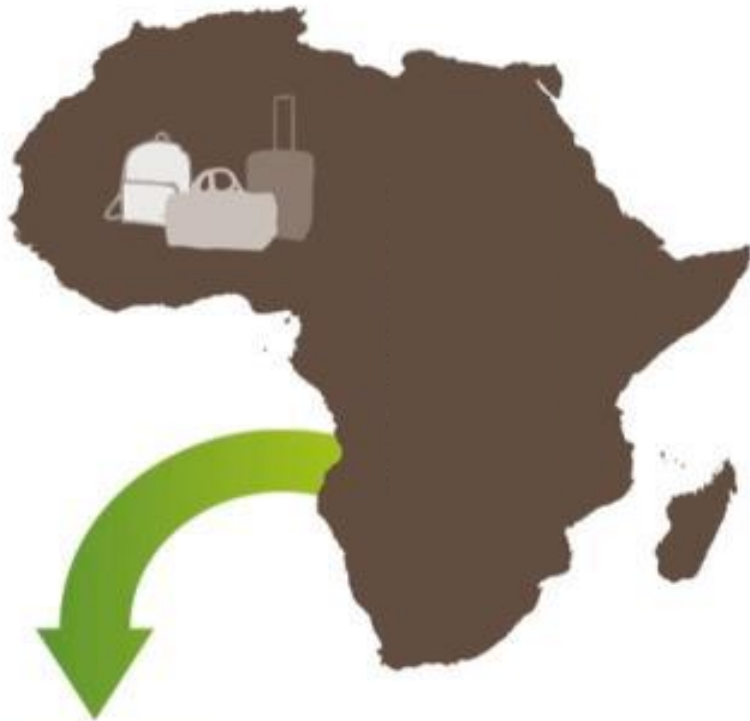
**They must be
quickly transported
everywhere in
the world with an
efficient infrastructure**



Tourism in Africa will massively increase in the next 15 years

TOURISM IN AFRICA

INTERNATIONAL TOURIST ARRIVALS



1990: 15 million

2012: 52 million

2030: 134 million

Tourism figures almost multiplied
by 10 in 40 years



1990: US\$ 6 Billion
2012: US\$ 34 Billion
2030: US\$ 88 Billion

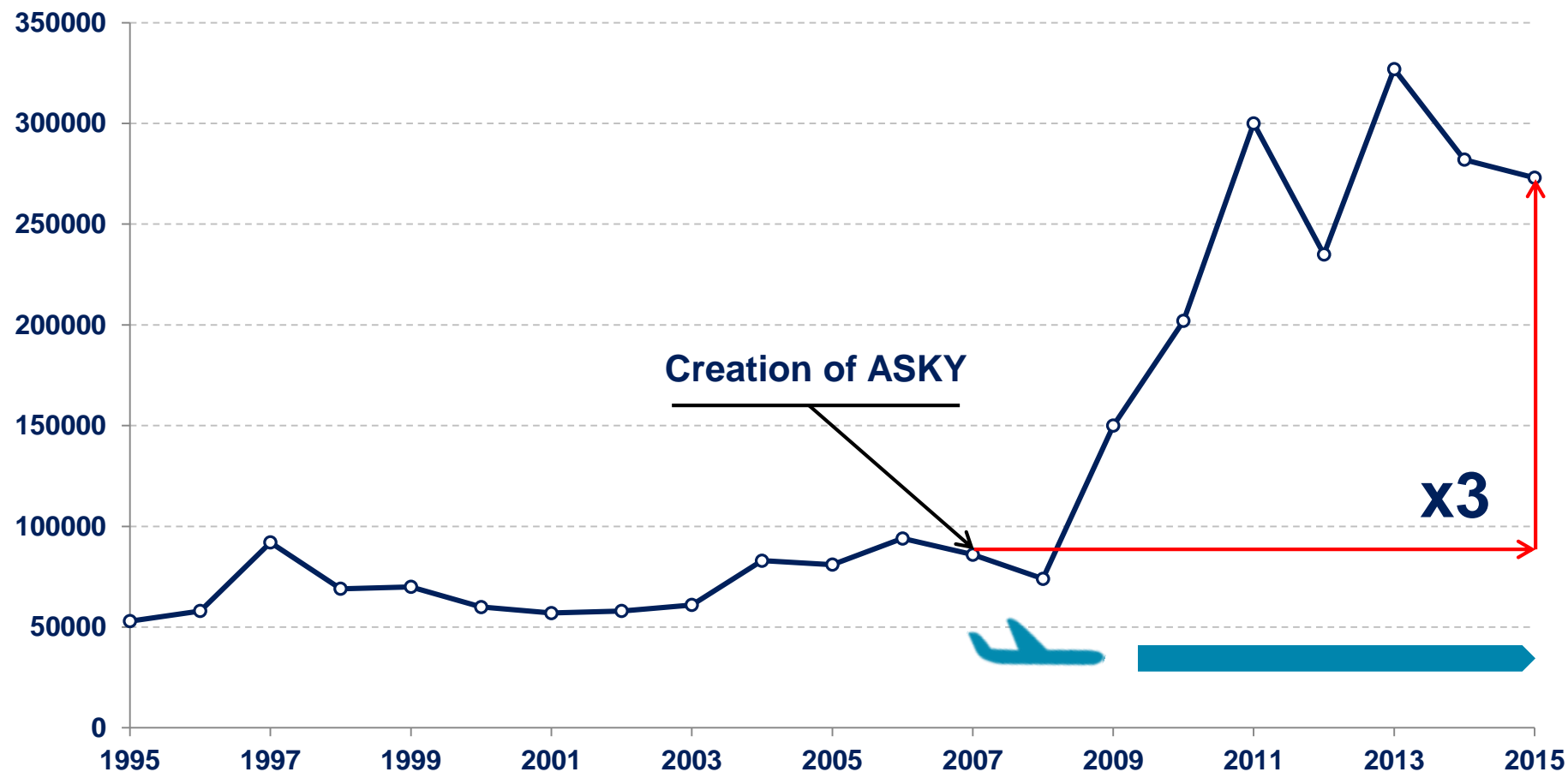


7% OF TOTAL EXPORTS
57% OF SERVICE EXPORTS

Impact of having an airline on visitors



Arrivals per year in Togo

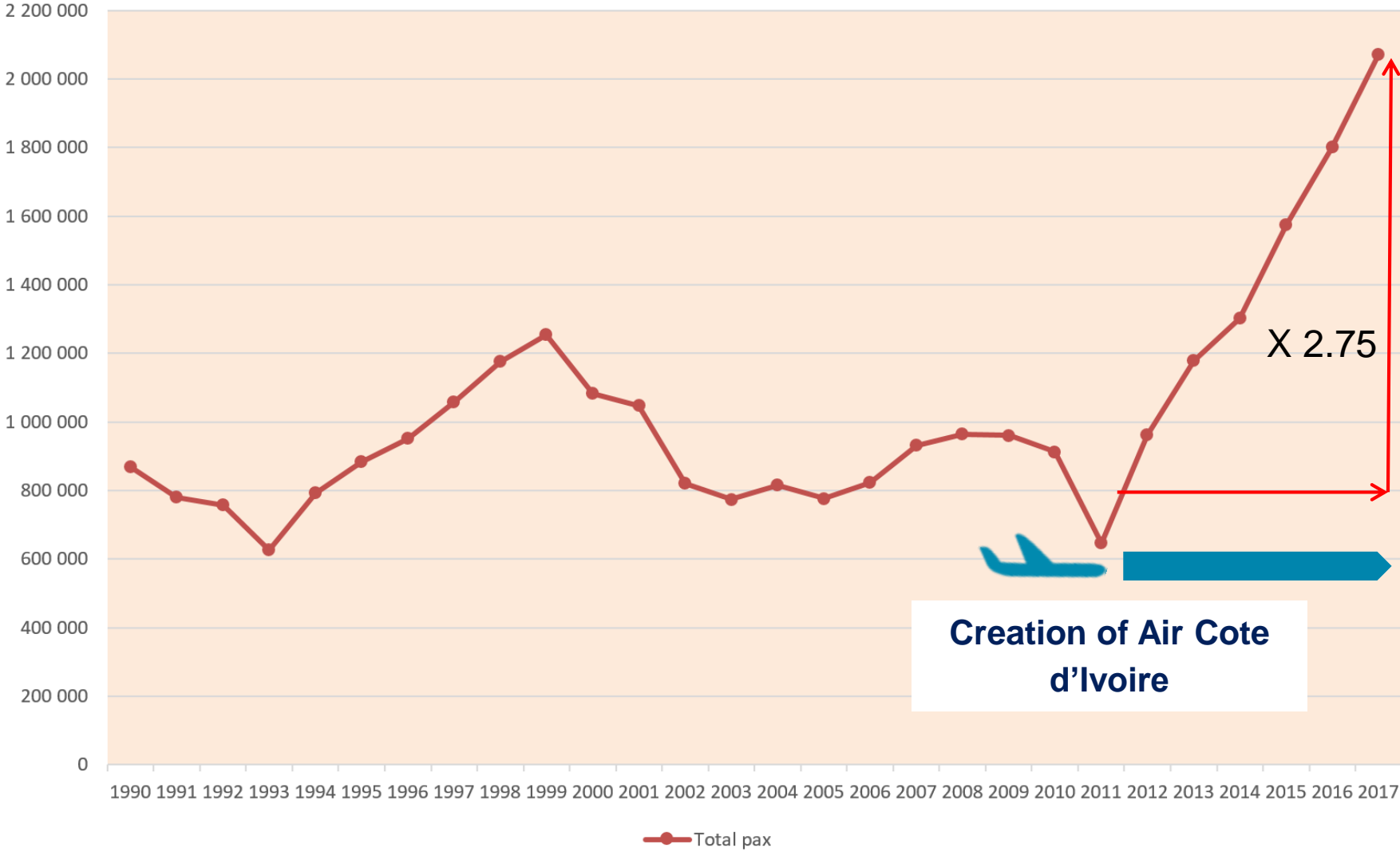


Arrivals have more than tripled since the creation of Togo's national airline

Source: World Bank

AIRBUS

Impact of having an airline on visitors



Arrivals have more than doubled just five years after the creation of a national airline

Source: Sabre



Direct impact of tourism on Mauritius' economy

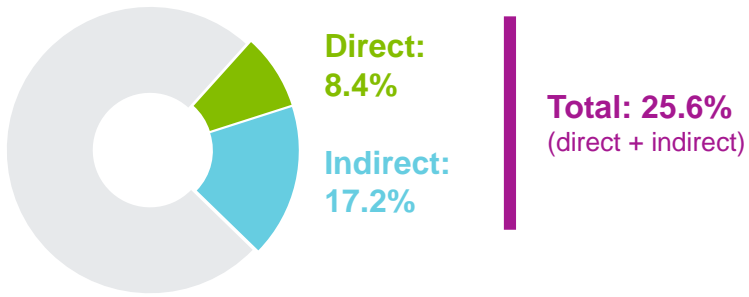
Figures as per end 2016

PEOPLE EMPLOYED IN THE TOURISM INDUSTRY

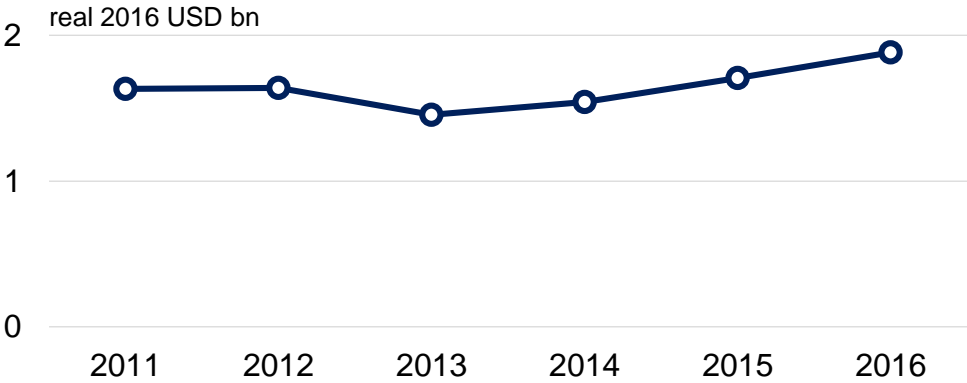
DIRECT: 45,500 (8.2% of total employment)

TOTAL: 135,000 (24.3% of total employment)

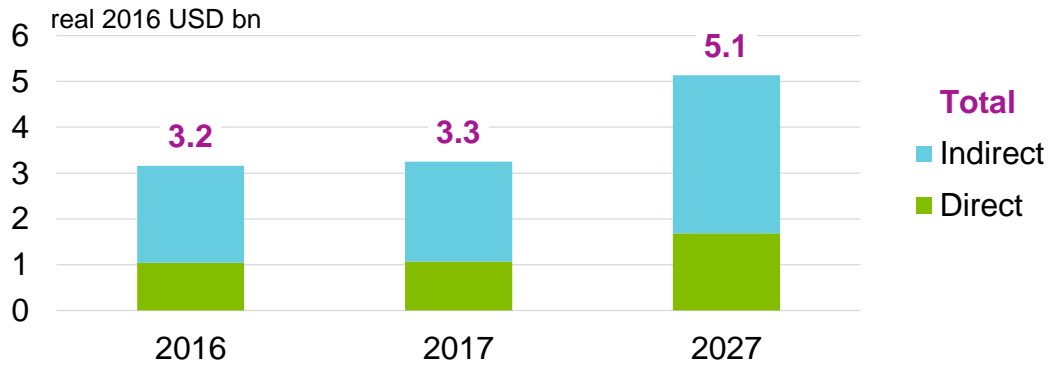
TOURISM CONTRIBUTION TO GDP



VISITORS EXPORTS



TOTAL CONTRIBUTION OF TOURISM TO GDP



Source: WTTC, Airbus GMF

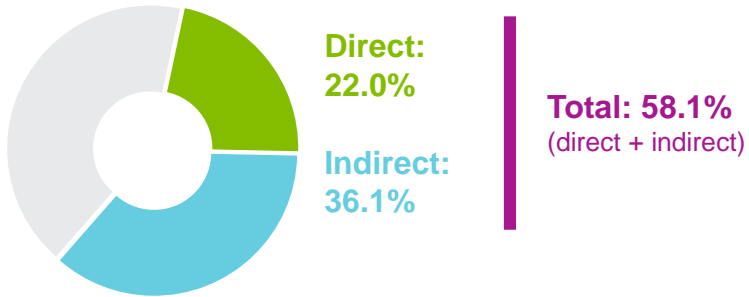
Direct impact of tourism on Seychelles' economy

Figures as per end 2016

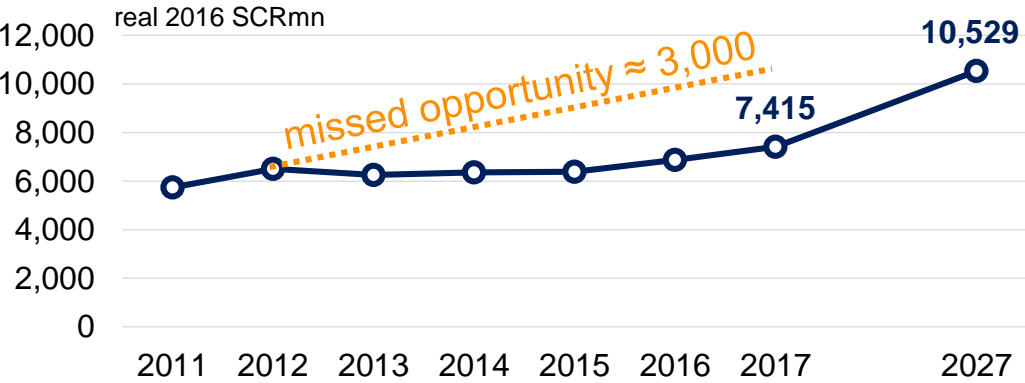
PEOPLE EMPLOYED IN THE TOURISM INDUSTRY

DIRECT: 12,000 (26.2% of total employment)
TOTAL: 29,000 (63.6% of total employment)

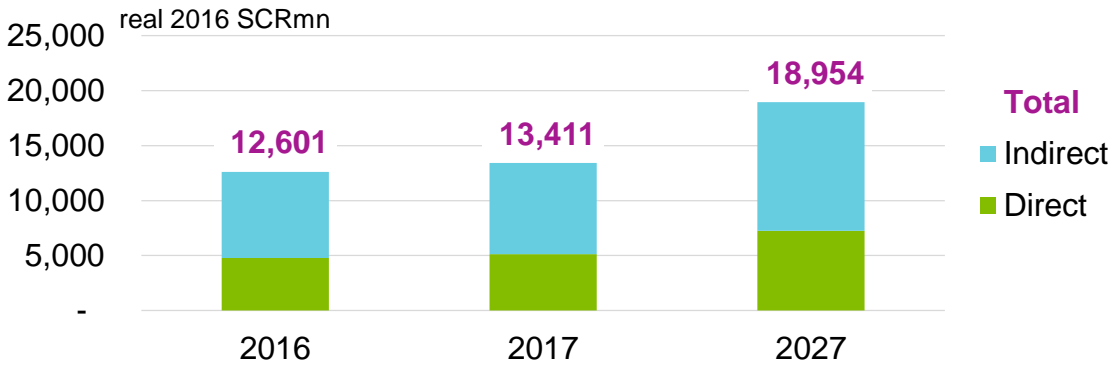
TOURISM CONTRIBUTION TO GDP



VISITORS EXPORTS



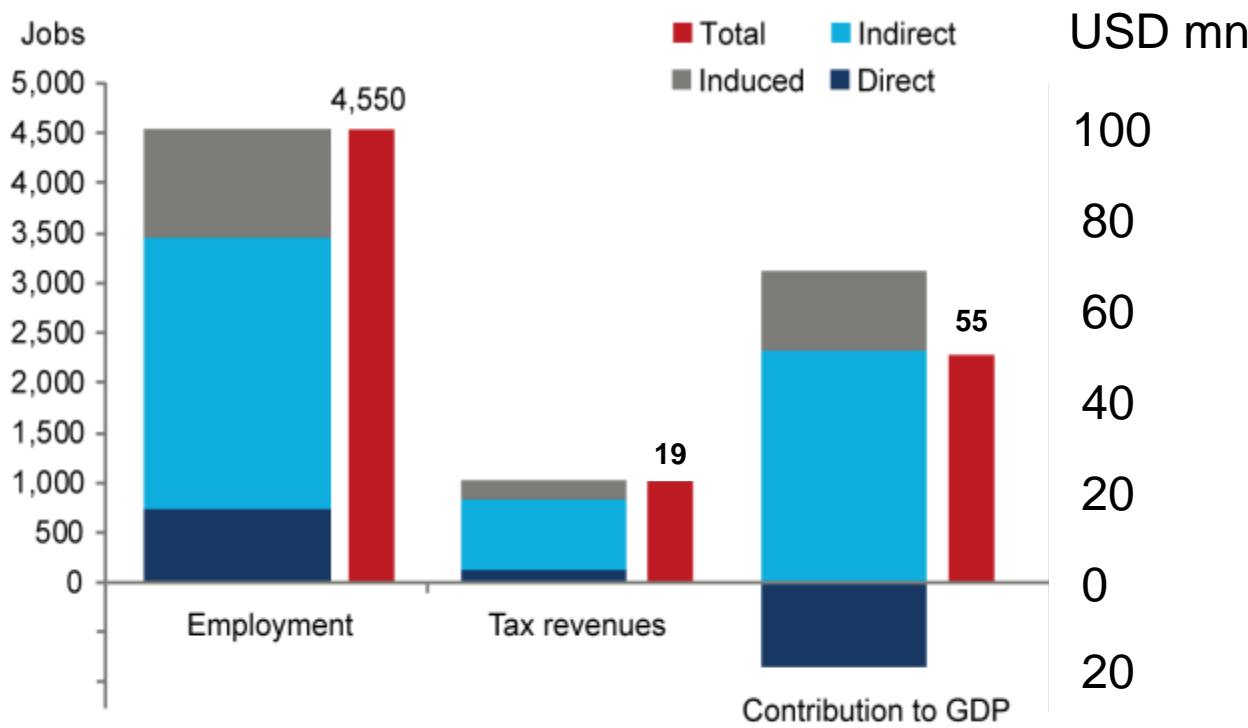
TOTAL CONTRIBUTION OF TOURISM TO GDP



Source: WTTC, Airbus GMF

The example of Air Namibia on the country economy

AIR NAMIBIA'S CORE ECONOMIC IMPACT IN 2015/16



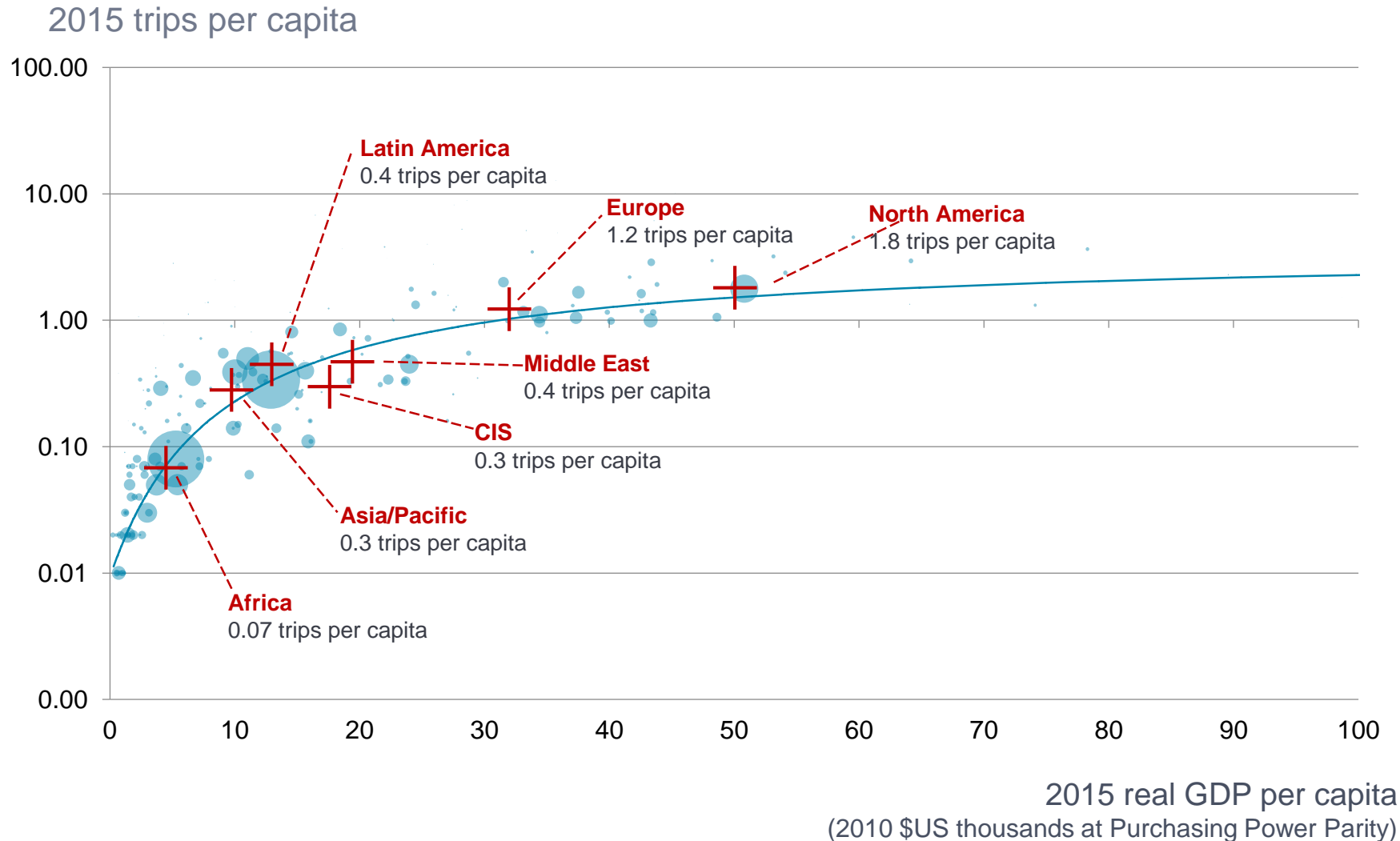
Source: Oxford Economics

Air Namibia reported a USD \$3.5 million profit from its operations, and paid USD \$21 million in wages and salaries.

Air Namibia made a USD \$55 million indirect GDP contribution, as a result of supply chain activities linked to the airline's procurement

Air Namibia made a USD \$19 million induced GDP contribution, as a result of the wage-funded spending of its employees and those employed in its domestic supply chain.

An important Traffic potential ... with lower operating cost and lower fares



Sources: Sabre, IHS Economics, Airbus GMF 2016

Thank you