

Airlines to lose \$51.8 bn in 2021, stay in red in 2022: IATA

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Global airlines are projected to lose money in 2021 and 2022, even as the industry recovers from the worst of the pandemic.

Global airlines will lose an estimated \$51.8 billion in 2021 and another \$11.6 billion in 2022 in the aftermath of the Covid-19 pandemic,

according to an industry forecast released Monday.

The projections by [trade group](#) the International Air Transport Association (IATA) show a deeper fall than the prior forecast in April for losses of \$47.7 billion this year. IATA also increased the estimate for 2020 losses to \$137.7 billion from \$126.4 billion.

While the shortfall for airlines is "enormous," IATA Director General Willie Walsh said "we are well past the deepest part of the crisis."

Walsh said airlines had cut costs and taken advantage of increased demand for air freight.

"While serious issues remain, the path to recovery is coming into view," Walsh said. "Aviation is demonstrating its resilience yet again."

The recovery varies by region.

North America is the only region projected to generate positive profits in 2022.

Europe is forecast to remain in the red, with losses of \$9.2 billion in 2022, compared with a loss of \$20.9 billion expected in 2021. The region's carriers will see a recovery in intra-European travel, but long-haul travel will remain limited, IATA said.

Carriers in the Asia-Pacific region, Latin America, the Middle East and Africa are all expected to see smaller losses in 2022 compared with this year.

IATA projected that total passenger numbers of 3.4 billion in 2022, similar to 2014 levels, but below the 4.5 billion in 2019.

"People have not lost their desire to travel, as we see in solid domestic market resilience. But they are being held back from international travel by restrictions, uncertainty and complexity," said Walsh, adding that more governments see vaccinations "as a way out of this crisis."

IATA said "reestablishing global connectivity" should be a priority for governments.

"We fully agree that vaccinated people should not have their freedom of movement limited in any way," he said.

"In fact, the freedom to [travel](#) is a good incentive for more people to be vaccinated. Governments must work together and do everything in their power to ensure that vaccines are available to anybody who wants them."

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