

- European flights kept declining for the second consecutive month and were down -1.9% in November from -0.4% in October. This was the weakest monthly performance since January 2015. It reflects a deteriorating economic situation, trade tensions, political unrest and industrial action added to the aftermath of the recent airline bankruptcies. The overall flight growth for 2019 is forecast at 1.1%.
- EU carbon prices were €24.5/tonne in November 2019 compared with €18.7/tonne in November 2018.
- Oil prices climbed to €56.5 per barrel in November from €53.5 per barrel in October and increased by 7% since the beginning of 2019.
- Ticket prices accelerated their rise with an increase year-over-year by 3.9% in October 2019 from 2.9% in September.

EUROCONTROL Statistics and Forecasts 2

Other Statistics and Forecasts	4
Oil	7
Financial results of airlines	7
Industrial actions	8
Cargo	8
Aircraft Manufacturing	8
Environment	8
Unmanned Aircraft Systems (UAS)	9
Economy	10
Fares	10

FLIGHTS NOVEMBER 2019

-1.9%



ECAC

EU CARBON PRICES NOVEMBER 2019

€25

↑ FROM €24
IN OCTOBER 2019



OIL PRICES NOVEMBER 2019

€57

↑ FROM €54
IN OCTOBER 2019



EUROPE

HAPPY NEW YEAR



2020

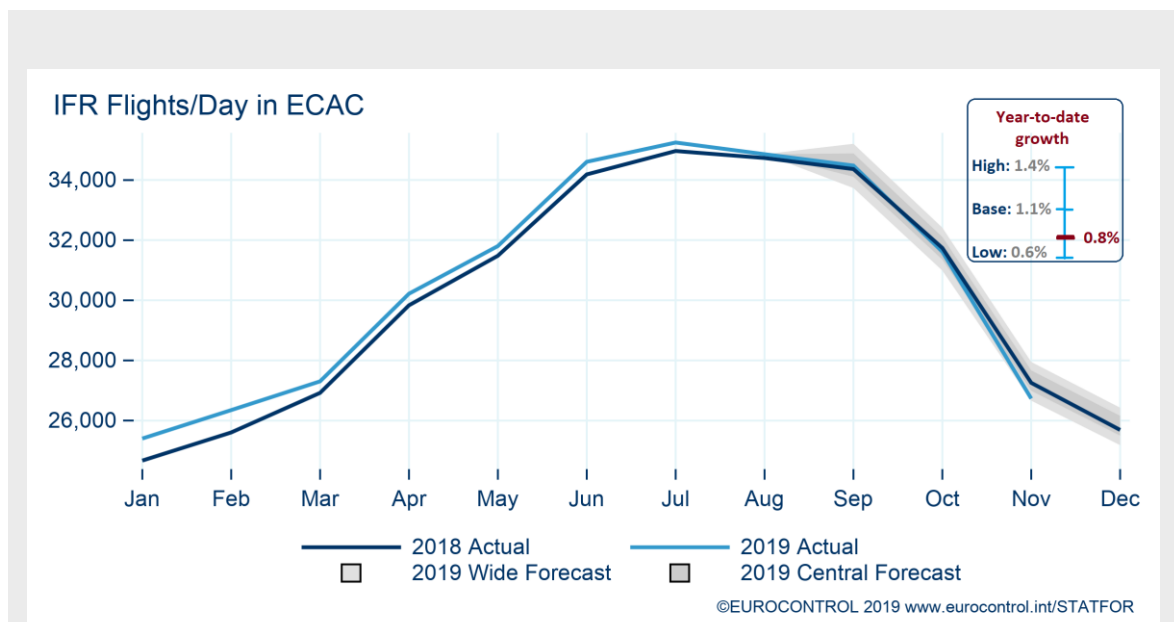


Figure 1: Monthly European Traffic and Forecast (based on the 7-year forecast Autumn 2019)

EUROCONTROL Statistics and Forecasts

European flights (ECAC – European Civil Aviation Conference area) kept declining for the second consecutive month and were down -1.9% in November from -0.4% in October. The decrease reflected a deteriorating economic situation, trade tensions, political unrest and industrial action added to the aftermath of the recent airline bankruptcies, namely Thomas Cook. This was the weakest monthly performance since January 2015. The overall flight growth for 2019 is estimated at 1.1% (Figure 1) (EUROCONTROL/STATFOR).

Main contributors to flight growth in Europe

In November 2019, only two states added more than 50 flights per day (vs. November 2018) to the European local traffic growth (excluding overflights) owing mainly to their flows to and from (<->):

1. Turkey <-> Russian Federation, <-> Middle East, <-> Asia (India, Indonesia, Thailand, Malaysia), <-> Germany, <-> France. Turkey's internal flow saw 60 fewer flights per day, a lesser value than in the previous months showing a slow recovery;
2. Poland <-> Ukraine, <-> internal flow, <-> The Netherlands, <-> UK.

At the other end of the spectrum, North-West Europe continued to record fewer daily flights with the following six states being the most affected (<-> bi-directional flows):

1. Germany <-> internal flow, <-> UK, <-> Spain, <-> Switzerland, <-> Canary Islands, <-> France. Germany was affected by a 2-day strike at Lufthansa (8-9/11);
2. UK <-> Germany, <-> internal flow, <-> France, <-> Canary Islands; <-> Ireland. UK was impacted by the bankruptcy of Thomas Cook (September) and Flybmi (February);
3. Sweden <-> internal flow, <-> Germany, <-> UK, <-> Denmark. Sweden remained impacted by the 'flying shame' movement;
4. France <-> internal flow, <-> Germany, <-> UK, <-> Algeria;
5. Switzerland <-> Germany, <-> internal flow, <-> UK, <-> Southern Europe;
6. Canary Islands <-> Germany, <-> UK.

(Figure 2) (EUROCONTROL/STATFOR).

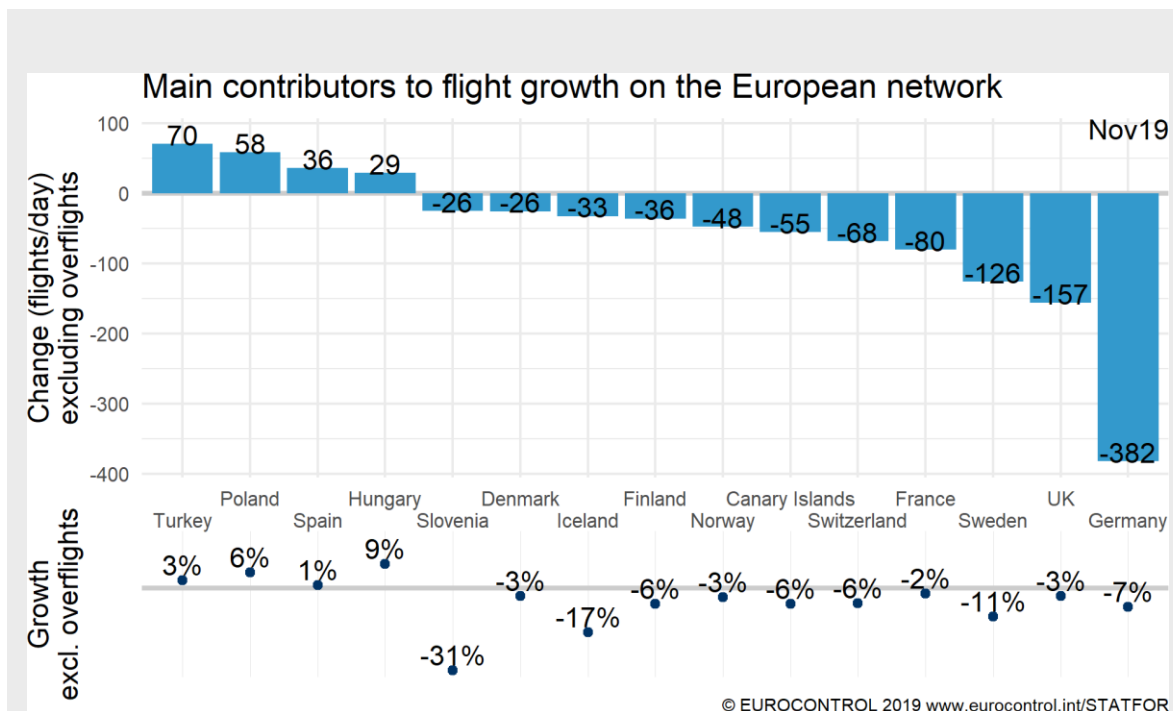


Figure 2: Main changes to traffic on the European network in November.

Outside Europe (ECAC) partners

The **top five external partners** in average daily flights on flows in both directions were the **United States** (865 flights, down 3.6%), the **Russian Federation** (748 flights, down 3.7%), the **United Arab Emirates** (352 flights, up 3.1%), **Egypt** (321 flights, up 12.3%) and **Qatar** (213 flights, up 4.7%) (EUROCONTROL/STATFOR).

Top aircraft operators

The airlines which added the most flights to the European network on a daily basis were **Ryanair** (+81 flights), **Wizz Air Hungary** (+77 flights), **Jet2.com** (+29 flights), **Pegasus** (+23 flights) and **LOT** (+12 flights). Conversely, **Norwegian Air International** recorded a significant decrease in flights (-110 flights/day) due to airline restructuring along with the grounding of the B737 MAX and **Lufthansa** saw 109 fewer daily flights following a 2-day cabin crew strike. (EUROCONTROL/STATFOR).

All-causes airline delays

Based on data from airlines for delays from all-causes, **the average delay per flight on departure in October 2019 was 12.2 minutes per flight**, this was a decrease of 0.3 minutes compared with October 2018 when the average delay per flight was 12.5 minutes. Analysis of the delay causes shows that reactionary delay contributed 5.7 minutes to the average delay per flight in October 2019. Regarding arrivals, the average delay per flight on arrival was 11.0 minutes per flight, a decrease of 0.8 minutes per flight (vs. October 2018). In October 2019, 24.4% of the flights arrived within the 5 minutes threshold before or after the scheduled arrival time, an increase of 0.1 points from 24.3% compared to previous year (EUROCONTROL/CODA).

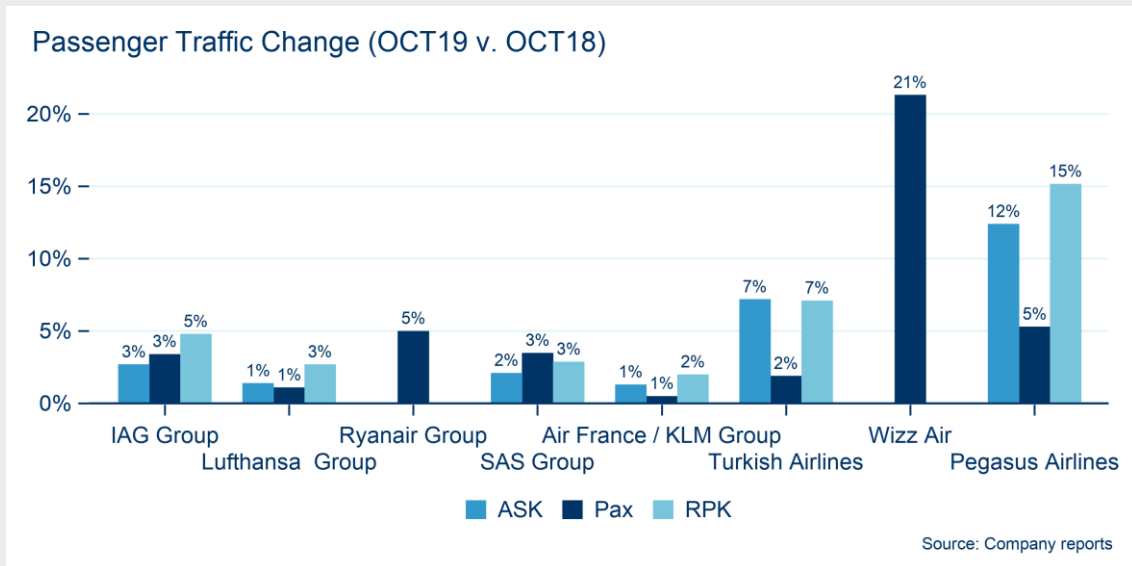


Figure 3: Main carriers' traffic statistics.

Other Statistics and Forecasts

[IATA](#) reported that European scheduled passenger traffic (RPK) increased by 2.2% in October 2019 (vs. October 2018). Total capacity rose by 1.4% while the load factor at 85.5% an all-time high record for the month of October (IATA, 5 December).

[ACI Europe](#) reported overall passenger counts at European airports increased by a modest 2.2% in September 2019 (vs. September 2018) down from 3.4% growth in August. At EU market level, this was the weakest monthly performance recorded in 6 years for passenger traffic. The passenger growth in Q3 2019 stood at 2.6%, down from +4.3% in H1 2019. Overall aircraft movements barely increased by +0.8% in September 2019 (+1.1% in Q3 2019). The slowdown came primarily from the bankruptcies of four airlines in September and the worsening macro-economic and trading conditions. (ACI Europe, 15 November).

Traffic Statistics for October

[Figure 3](#) and [Figure 4](#) compare October 2019 figures with October 2018 figures for the main [European carrier groups](#) (with the exception of easyJet which now only reports passenger statistics within its quarterly reports). In addition to the number of passengers (PAX), passenger capacity is measured in available seat kilometers (ASK), traffic is measured in revenue passenger kilometers (RPK) and load factor as a percentage (%).

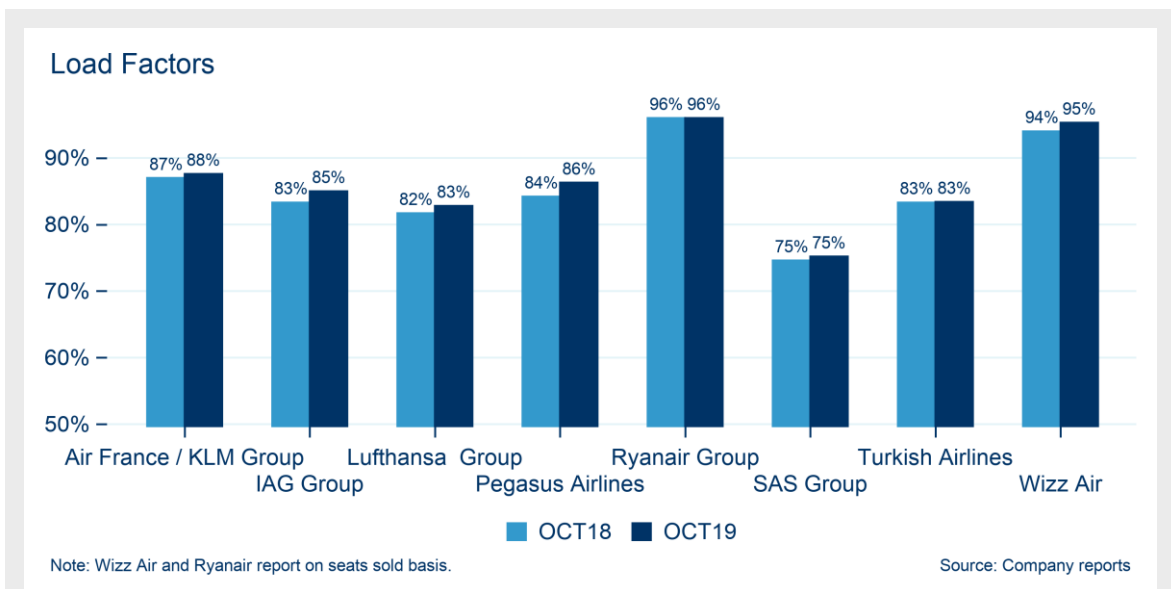


Figure 4: Main carriers' load factors.

Capacity, routes, alliances, cost, jobs

Wizz Air announced a new station in Zaporizhzhya (UA) and the launching of six new routes to Vienna (AT), Budapest (HU), Gdansk, Wroclaw and Krakow (PL), and Vilnius (LT), effective March 2020 (Wizz Air, October).

Wizz Air Holdings Plc announced the approval for purchase of 20 Airbus A321XLR aircraft (Wizz Air, 30 October).

Wizz Air will add new Airbus A321 aircraft in Bucharest and from July 2020, the carrier will open two new routes from Bucharest to Prague and Seville (Wizz Air, 4 December).

As part of summer 2020 schedule, **Ryanair** will operate 16 routes from London Southend, including three new routes to Bergerac (FR), Girona (ES), Marseille, and three new summer services to Bucharest, Venice Treviso and Vilnius (Ryanair, 31 October).

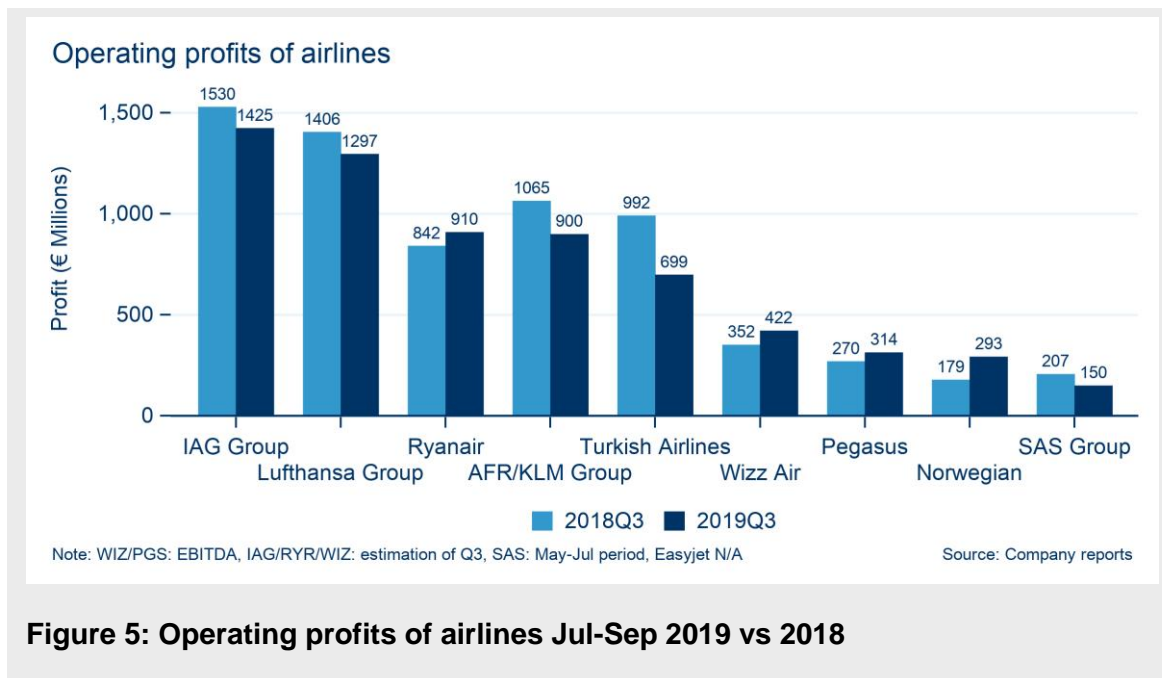
Lufthansa will introduce several new routes in summer 2020 – Munich to Minsk, Jerez de la Frontera (ES) and Zakynthos (GR); Frankfurt to Bristol (UK), Rennes (FR) and Rhodes (GR) (Lufthansa, 30 October & 27 November).

Transavia France announced the opening of a new base in Montpellier (FR) and as of 3 April 2020, the carrier will serve 13 new destinations to Lisbon, Faro, Madrid, Seville, Palma, Athens, Heraklion, Rome, Palermo, Marrakech, Agadir (MA), Oujda (MA), Tunis and Djerba (TN) (Transavia, 2 December).

Transavia announced nine new destinations, effective summer 2020: Brussels to Alicante, Ibiza, Verona, Corfu, Heraklion and Thessaloniki (GR), Tel Aviv, Agadir (MA) and Faro (Transavia, 3 December).

As part of summer 2020 schedule, **Aer Lingus** will start operations on several new routes as follows: Shannon to Paris and Barcelona; Dublin to Brindisi, Puglia and Alghero, Sardinia (IT) (Aer Lingus, 6 & 14 November).

Iberia will launch new direct route from Madrid to Washington, starting from 1 May. Further, the carrier is expecting to add six new A350s to the fleet throughout 2020, which will be incorporated into flights to Tokyo and Los Angeles (Iberia, 13 November).



SAS announced that the first of three new A321LRs, a narrow-bodied aircraft suited for longer distances, will join its fleet on 18 September 2020 with a first service between Copenhagen and Boston (SAS, 15 November).

IAG's wholly owned subsidiary, IB OPCO Holding S.L. ("**Iberia**"), agreed to acquire the entire issued share capital of **Air Europa**. The acquisition is expected to be completed during the second half of 2020 and Air Europa will consequently leave the **Skyteam alliance**. The airline group wants to transform Madrid airport, Spain into a true rival to Europe's four largest hubs (Amsterdam, Frankfurt, London Heathrow and Paris CDG), IAG also wants to re-establish as a leader in the highly attractive Europe to Latin America and Caribbean market (IAG, 4 November).

Norwegian Air Shuttle has signed an agreement for the sale of its subsidiary Norwegian Air Argentina (NAA) to JetSMART Airlines. The three Boeing 737 currently operated by NAA will be replaced by JetSMART's Airbus A320 aircraft and the three Boeing 737s will return for service in Europe (Norwegian, 4 December).

Loganair announced the closure of its operating base at Norwich Airport. The carrier will continue to operate from Norwich to Aberdeen, Edinburgh and Jersey, using aircraft and crews from its Scottish bases from February onwards (Loganair, 3 December).

As part of the development of **Volotea's** base in Lyon, the carrier will introduce 10 new routes: Athens, Bilbao, Bari, Caen, Corfu, Faro, Heraklion, Malaga, Santorini and Venice (Volotea, 21 November).

KLM Royal Dutch Airlines and **Qantas** announced an additional codeshare agreement creating new options for passengers between the Netherlands and Australia (KLM, 9 Dec).

KLM Royal Dutch Airlines and **Air France** plan to simplify their widebody fleet. KLM plans to retire all B747s by the end of 2020 and all A330s by 2025 and Air France will phase-out all ten A380-800s by 2022 and four A340-300s by 2021 (Air France-KLM, 11 November).

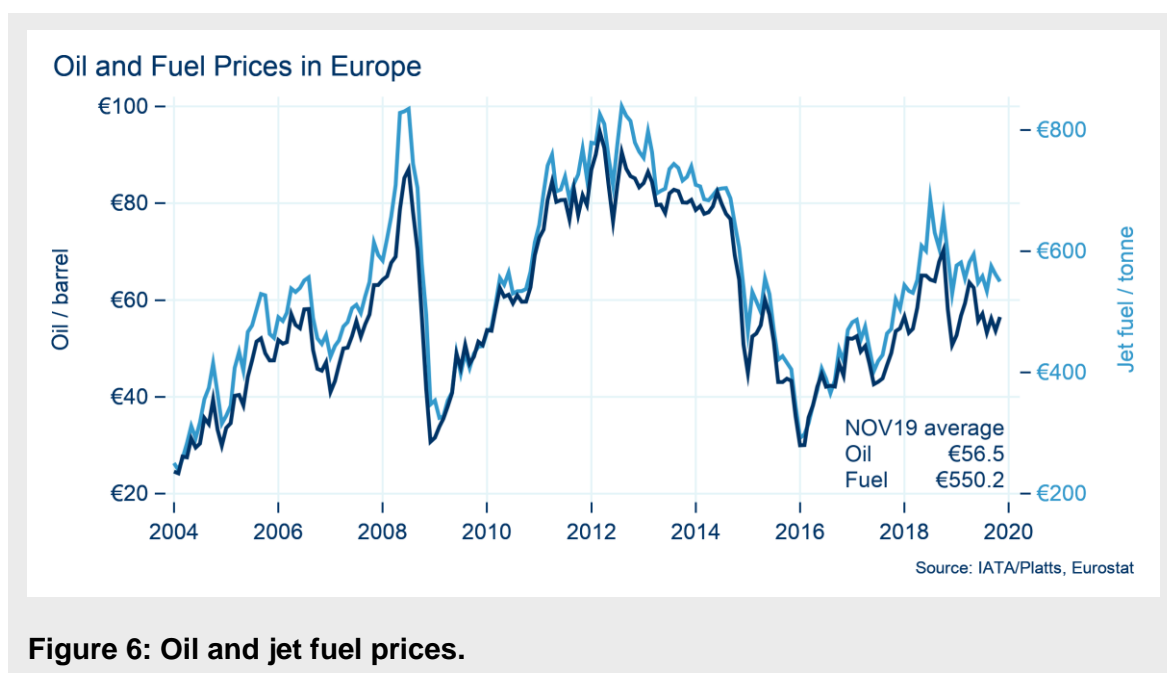
The State of Kuwait and the Grand Duchy of Luxembourg signed an agreement to promote bilateral aviation between both sides. It would replace the previous agreement between the countries from 1993 (CAPA, 31 October).

Georgia's Air Navigation Service Provider (ANSP) '[Sakaeronavigatsia Ltd](#)' together with the Armenian's ANSP '[ARMATS](#)' announced the launching of a free route air space between both countries, starting from 8 November 2019 (Sakaeronavigatsia Ltd, 7 November).

[Jet2.com](#) announced the purchase of Thomas Cook's UK slots at Birmingham, London Stansted and Manchester Airports (Jet2.com, 8 November).

[FlyBosnia](#) has laid off almost half of its workforce and is struggling to pay its remaining employees as debts to Sarajevo International Airport and other suppliers continue to rise. FlyBosnia also returned one of its two leased A319-100s and will only use one aircraft during the winter season (FlyBosnia, 13 November).

Bosnia's air navigation service finally took control of the country's upper skies on the night of December 4 to December 5. It had lost this control following the outbreak of war in 1992 (Bosnia, 2 December)



Oil

Oil prices climbed to €56.5 per barrel in November from €53.5 per barrel in October. The prices increased by 7% since the beginning of 2019. Converted indices for oil and jet fuel prices are shown in [Figure 6](#).

EIA forecasts Brent crude oil price to average €58 (\$64) per barrel in 2019 and will lower to an average of €55.5 (\$61) per barrel in 2020 due to forecast rising global oil inventories in the first half of 2020 (EIA, 10 December).

Financial results of airlines

[Figure 5](#) compares the [third quarter](#) (July-September, except SAS – May to July) of 2019 financial results vs same period 2018 for the main European airlines. Five of the top carriers marked a slight decrease in operating profits due to the economic slowdown, higher fuel costs and industrial action effect on IAG.

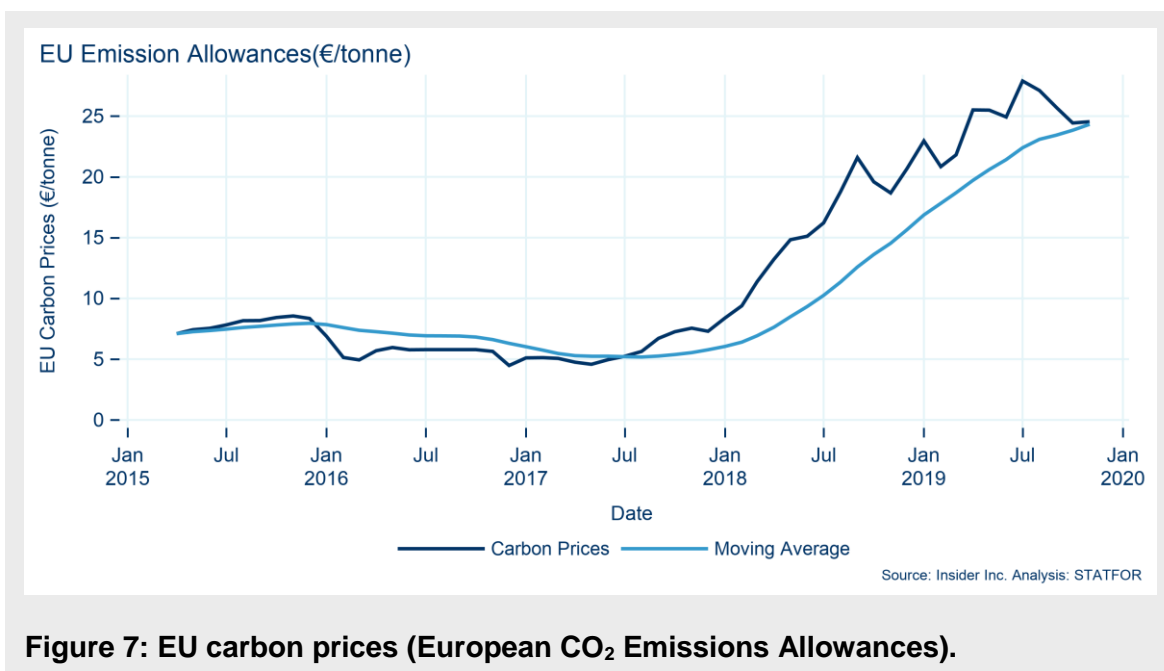
Industrial actions

Lufthansa Group announced estimated 1,300 flight cancellations on 7 and 8 November due to full-day strike by the Independent Flight Attendants Organisation (Ufo) (Lufthansa Group, 6 November).

Finnair estimated approximately 250 flight cancellations on 25 November due to industrial action related to the Finnish postal service labour dispute (Finnair, 24 November).

Cargo

IATA reported decline for sixth consecutive month in European freight demand, with a decline of -3.3% for September 2019 compared to September 2018. The decrease is attributable to continuing Brexit concerns along with Germany's decline in manufacturing activity and exports. Capacity (AFTK) rose by 3.3% whereas the total freight load factor declined by 3.4% year-on-year (IATA, 6 November)



Aircraft Manufacturing

KLM Cityhopper confirmed its order for 21 Embraer 195-E2 aircraft, plus an option for 14 more. First delivery is expected in the first quarter of 2021 (KLM, 20 November).

Environment

EU carbon prices (European CO₂ Emissions Allowances) were up and averaged €24.5/tonne in November 2019 compared with €18.7/tonne in November 2018. This was aligned with the trend (12-month trailing average) shown in [Figure 7](#) (Insider Inc., October).

easyJet started offsetting the carbon emissions produced by all flights in its network through certified projects, effective 19 November. **easyJet** and **Airbus** have signed a Memorandum of Understanding for a joint research project on hybrid and electric aircraft, which will analyse the opportunities and challenges surrounding the development of the aircraft (easyJet, 19 November).

From January 2020, corporate customers on [Lufthansa Group](#) can fly CO₂ neutral with Lufthansa Group Corporate Value Fares. The project, as well as 'Compensaid' and 'myclimate', is part of Group's commitment to climate protection, see Industry Monitor 212 (Lufthansa Group, 15 November).

[Global carbon accreditation](#) programme, established by [ACI Europe](#), reported solid growth in airport climate action, including:

- 288 airports now actively engaged in addressing their impact on climate change, from which 147 are situated in Europe;
- Collective CO₂ reduction of more than 320,000 tonnes (-4.9%) achieved in the past year;
- 61 airports are carbon neutral Level 3+ (third party engagement in carbon footprint reduction) (ACI Europe, 27 November).

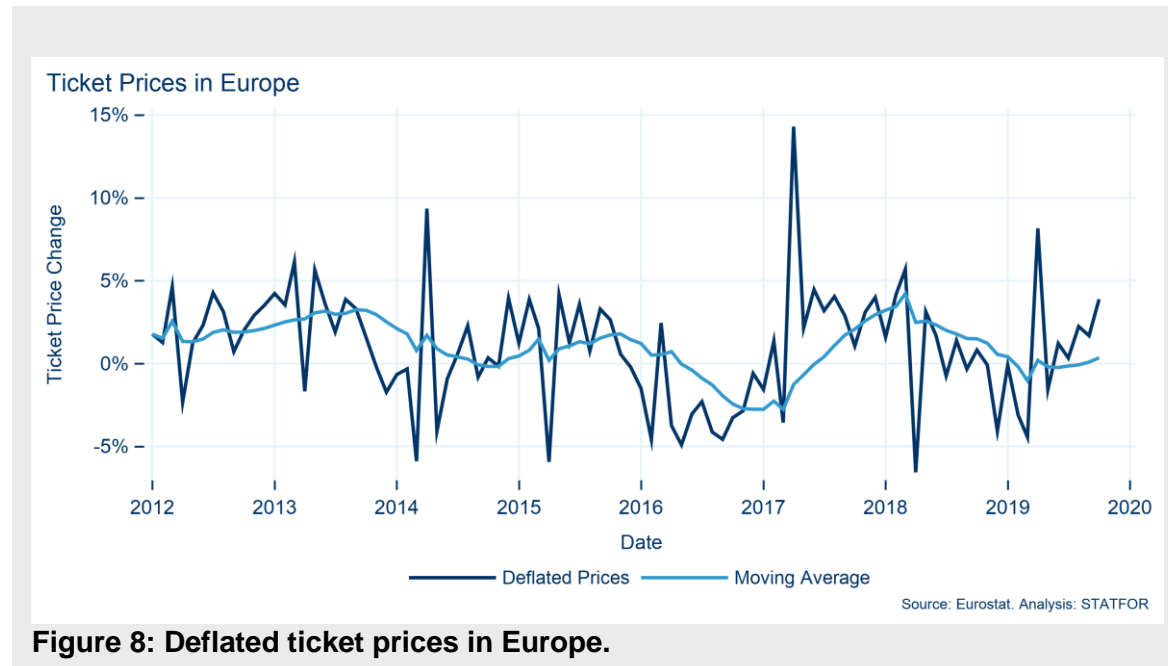


Figure 8: Deflated ticket prices in Europe.

[Shell](#) announced that it will support SkyNRG to develop Europe's first dedicated sustainable aviation fuel (SAF) production plant. The plant is expected to produce 100,000 tonnes of sustainable aviation fuel annually, corresponding to a reduction of approximately 270,000 tonnes of CO₂ emissions (Shell, 14 November).

[EASA](#) and the [European Commission](#) (DG-CLIMA) published the 'Halon replacement in the aviation industry' guide to support aviation industry in complying with the requirements of Regulation (EC) No 1005/2009 (the Ozone Regulation) on halon replacement (EASA, 14 November).

[Birmingham Airport](#) published 5-year Sustainability Strategy, including commitment to become a net zero carbon airport by 2033 (Birmingham Airport, November).

Unmanned Aircraft Systems (UAS)

[EASA](#) published Opinion 05/2019 'Standard scenarios for UAS operations in the 'specific' category', which proposes two standard scenarios (STSS) to the Annex to Commission Implementing Regulation (EU) 2019/947. The Opinion proposes the introduction of technical requirements that UAS need to meet in order to be operated in the STSS, and establishing two new UAS classes — classes C5 and C6 (EASA, 7 November).

Economy

Euro area economy indicators updates:

- [Annual inflation](#) was 1.0% (preliminary data) in November 2019 up from 0.7% in October 2019;
- [Unemployment rate](#) was 7.5% in October 2019 down from 7.6% in September 2019;
- [GDP](#) rose by 0.2% during the third quarter of 2019 compared with previous quarter of 2019 (EUROSTAT, 29 November & 5 December).

Fares

[Ticket prices](#) in Europe increased by 3.9% in October 2019 year-over-year from 2.9% in September, based on preliminary values. This was above the trend (12-month trailing average) which reports stable ticket prices (see [Figure 8](#)). For the last 12 months, airline tickets were 0.3% more expensive than the year-ago period (Eurostat, 29 November).

Note: to eliminate the influence of inflation on euro figures, the ticket price is deflated with a price index. The STATFOR deflated ticket prices are estimated in 2015 constant euros. A detailed explanation of the mechanism can be found [here](#).



Supporting European Aviation

EUROCONTROL

© 2019 EUROCONTROL

This document is published by EUROCONTROL for information purposes. It may be copied in whole or in part, provided that EUROCONTROL is mentioned as the source and it is not used for commercial purposes (i.e. for financial gain). The information in this document may not be modified without prior written permission from EUROCONTROL.

STATFOR, the EUROCONTROL Statistics and Forecast Service
statfor.info@eurocontrol.int
www.eurocontrol.int/forecasting