



WORKING PAPER

TENTH SESSION OF THE STATISTICS DIVISION

Montréal, 23 to 27 November 2009

Agenda Item 2: Air carrier traffic data and traffic flow statistics

**QUICK MONITORING SYSTEM (QMS) OF COMMERCIAL AIR CARRIER MONTHLY
TRAFFIC DATA**

(Presented by the Secretariat)

SUMMARY

The availability of short term trends of traffic will be of significant benefit to the Contracting States and to government owned and privately held air carriers in their planning efforts to align capacity with demand, thereby improving the efficiency and economic viability of operations as well as optimal utilization of capital in their respective states. With this in mind, the Fourteenth Meeting of the Statistics Panel (STAP/14) recommended appropriate amendments to the current reporting instructions with the intention of obtaining crucial traffic data earlier than requested by the current filing schedules.

Action by the division is in paragraph 3.

1. INTRODUCTION

1.1 The fast pace and the dynamic nature of the air transport industry is such that a great majority of the industry stakeholders are looking for overall traffic and capacity trends in a timely manner. Short term decisions by air carriers to align capacity with traffic, in order to improve the efficiency and economic viability of their operations, are greatly influenced by this information. This timely information may also benefit contracting States interested in looking at the changes in traffic and capacity for air carriers with the principal place of business in their State, and benchmarking them with others in the same region or in the world. Furthermore, availability of these data will improve the accuracy of the ICAO short-term forecasting activities.

2. ICAOTRAFFIC DATA COLLECTION AND DISSEMINATION

2.1 Current Practices on Filing Form A

2.1.1 Monthly traffic data are collected through Form A and most States submit it in an electronic format. However, submission time differs from State to State. Some States submit the forms within a month after the end of the reporting period, while others submit it as requested in the Reporting Instructions within two months of the end of the reporting period. Nearly 70 per cent of the forms are received by ICAO within the reporting deadlines and 30 to 40 per cent of them are received in the following months.

2.2 Current ICAO data dissemination practices

2.2.1 At present ICAO disseminates trends in traffic mainly through the following means:

- a) the December News Release, giving the traffic trends for the ending year;
- b) the ICAO Annual Report of the Council in which more detailed data on traffic and capacity are published; and
- c) the ICAO dedicated websites¹, where online traffic and capacity are made available for each carrier and airport usually within two weeks of receiving the reporting Form. The monthly traffic data are usually shown in the website three months after the end of the reporting month.

2.3 Other entities traffic data practices

2.3.1 IATA publishes monthly international (not total) air traffic and capacity trends of its members, on a global and regional basis, the lead time being usually one month. Other regional air carriers' organizations, such as Association of European Airlines (AEA), Association of Asia Pacific Airlines (AAPA), Air Transport Association (ATA) and some others, provide as well monthly regional statistics within different timelines.

2.3.2 OAG publishes schedules filed by air carriers a year in advance, usually in a two cycle filing covering their summer and winter schedules. These data can be queried with a view to seeing planned capacity changes over time. However, it must be noted that these data contain no information on actual capacity, traffic or load factor trends.

2.3.3 In addition to the sources previously cited, the Global Distribution Systems (GDS) own valuable databases for short-term planned capacity and traffic bookings. The major GDSs² control around 60 per cent of global bookings while 30 per cent comes from direct sales by the air carriers.

2.3.4 Only a consolidation of all these databases could provide reliable short-term trends of seat utilization and booking load factors. Therefore, there are no comprehensive trends covering the total scheduled capacity and traffic parameters of the entire air transport industry that could be accessible and helpful to Contracting States.

¹ The ICAO Secure web site for Contracting States, and ICAOdata.com, the commercial web site for third parties.

² Based on 2004 Report by Inter Vistas- The major GDS include Amadeus, Sabre, World span and Galileo

2.4 Quick Monitoring System implementation proposal

2.4.1 While ICAO could explore the possibility of coordinating with the different air carriers' organizations and the GDS (subject to very expensive access conditions) providers to obtain regional trends of traffic and capacity, the overall picture obtained will still be incomplete. Therefore, one reassurance that ICAO could adopt in parallel is to arrange to obtain traffic data reported through Form A earlier than what is currently requested.

Inputs and Deliverables

2.4.2 For commercial air carriers, Reporting Form A will be the main input for a QMS system. At present, the response to this data collection is quite high, representing nearly 96 per cent of global traffic. This Form has been in existence since 1946 and Contracting States are familiar with its reporting requirements.

2.4.3 The aim of creating the ICAO secure website is to disseminate the actual global and regional trends in monthly traffic and capacity as reported in Form A by each Contracting State through the website. Preliminary work has been done by the Secretariat to display these trends by State in the Site, and there are plans to be expand it in order to display regional trends.

2.4.4 It has been estimated that a data sample for the major carriers will be sufficient to enable the Secretariat to estimate changes in regional trends and to provide indicators that will be of considerable importance to Contracting States and other aviation stakeholders. In this context, it is not worthy that, based on the 2008 statistics, the top 50 air carriers' account for nearly 70 per cent share of global total passengers carried and top 30 carriers account for 75 per cent of global freight tons.

Filing schedule of Form A and processing time

2.4.5 The current Form A requirement for States is that they submit data, preferably in electronic format, on a monthly or quarterly basis within two months of the end of the reporting period to which the Form refers. Once the Forms are received by ICAO, they are usually processed within two weeks of receipt and made available to Contracting State and other external stakeholders on the ICAO Secure site and the commercially managed site (www.ICAOdata.com) respectively.

Proposed Form A filing schedule

2.4.6 It is essential for the implementation of a QMS, that Contracting States, file Form A one month earlier than at present. It is therefore proposed that the new filing schedule for reporting Form A should read as follows:

*Form A is to be submitted on a monthly basis within **one** month of the end of the reporting month to which it refers.*

This requirement will enable the Secretariat to process more Forms within a shorter time period, thus increasing the data coverage and the reliability of the regional traffic and capacity trend estimates.

2.5 *Recommendation of the Fourteenth Meeting of the Statistics Panel (STAP/14-13).* The Panel agreed to amend the Reporting Instructions of Form A to indicate that traffic and capacity data reported through that form should be submitted within **one** month of the end of the reporting period. The Panel also recommended the creation of a focal point in the national Civil Aviation Authority of each contracting state concerning air carrier statistics.

3. **ACTION BY THE DIVISION**

3.1 The division is invited to recommend that the Reporting Instruction for Form A — *Air carrier traffic — commercial air carriers* be amended to read as follows:

Contracting States will endeavour to file Form A on a monthly basis within one month of the end of the reporting month to which it refers. In the event this is not practicable, a Contracting State should submit Form A data no later than two months of the end of the reporting month to which it refers.

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