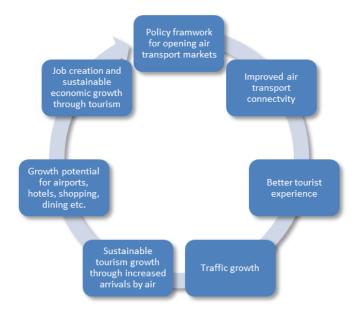# UTILIZATION RATE OF CONNECTIVITY OPPORTUNITIES BY AIR CARRIERS
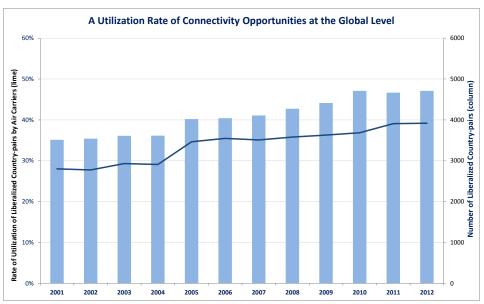
1.   BACKGROUND

1.1   Tourism expansion relies heavily on air transport, providing substantial economic benefits for anyone involved in the value chain of tourism. During 2014, over 1.1 billion tourists crossed international borders, **over half of who travelled by air to their destinations**. According to the World Tourism Organization (UNWTO), the total number of international tourists, which includes both business and leisure travellers, is expected to reach 1.8 billion by 2030. Based on ICAO's latest forecasts, aircraft departures are expected to grow from 33 million today to 60 million by 2030.

1.2   These figures highlight importance in addressing air transport connectivity, competitiveness and related challenges today, in order to promote sustainable tourism and maximize economic growth tomorrow. Connectivity is based on the concept of time and space, moving tourists with minimum transit points, in the shortest possible time, with maximum tourist satisfaction at an adequate price. Improved air transport connectivity is a key element to economic development and growth though sustainable tourism, especially for Least Develop Countries (LDCs), Landlocked Developing Countries (LLDCs) and Small Island Developing States (SIDS).

1.3   In order to optimize connectivity, a strong supporting policy framework is required, including measures enabling expanded market and capital access of both air transport and tourism sectors. In this regard, continuous opening-up of air transport market through liberalizing measures has an overall positive impact on the growth of air traffic, tourism and the economy at large. Liberalized air transport leads to better tourist experiences, including increased air transport connectivity and lower fares, which in turn stimulates additional tourist traffic and can bring about increased economic growth and employment.

2.   INDICATOR: CONNECTIVITY OPPORTUNITIES

2.1   The openness of air transport market depends on the nature of air services agreements between and amongst States. ICAO collects information on air services agreements, as well as air traffic statistical data. According to the analysis by ICAO, in 2012, about 35 per cent of the country-pairs with non-stop scheduled passenger services and about 58 per cent of the frequencies offered were between countries which have opened their markets (compared with about 22 and 42 per cent a decade ago).

2.2   In order to directly quantify the progress and effectiveness of the policy formulation and implementation as described under the set of UN Sustainable Development Goals (SDGs), **Goal 8 – Target 8.9[1]**, ICAO developed an indicator, i.e. **a utilization rate of connectivity opportunities by air carriers**, comparing the number of available markets created by air transport liberalization ("available" or "reserved" connectivity) with the number of those markets having actual air services ("real" connectivity).

2.3   As shown in the graph below, about 60 per cent of available connectivity opportunities currently do not have direct flights. A better utilization, i.e. connectivity, might be achieved in the longer term with the effective policy implementation to match the commercial and business priorities of air carriers and tourism industries.

A Utilization Rate of Connectivity Opportunities at the Global Level

3.   CONCLUSION

3.1   **More than half of all tourists currently arrive by air**. Moving tourists by air is a catalyst for new opportunities in sustainable tourism and economic development at large.

3.2   ICAO proposes to include "**a utilization rate of connectivity opportunities by air carriers**" as a Global and State-level indicator under **Goal 8 - Target 8.9** . This indicator can directly measure not only the progress of the policy development but also the effectiveness of the policy (in terms of connectivity) to promote sustainable tourism as mentioned by **Goal 8 – Target 8.9**.

— END —

---

[1]   ***Goal 8***   *Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all*
      Target 8.9   *By 2030, devise and implement policies to promote sustainable tourism that creates jobs and promotes local culture and products.*